# Current History

A WORLD AFFAIRS MONTHLY

**APRIL, 1973** 

## WEST EUROPE, 1973

EUROPE AND THE SUPERPOWERS Norman A. Graebner	145
WEST GERMANY'S FOREIGN POLICY Gerard Braunthal	150
FRANCE: L'APRÈS GAULLISME Edward Whiting Fox	154
BRITAIN, THE COMMONWEALTH AND EUROPE Richard H. Leach	157
ITALY IN WEST EUROPE Pellegrino Nazzaro	160
THE BENELUX STATES AND THE NEW COMMUNITY Pierre-Henri Laurent	166
TOWARD A UNITED STATES OF EUROPE Walter H. M. Fröhlich	172
CURRENT DOCUMENTS • The Azores Agreement	178
BOOK REVIEWS	179
THE MONTH IN REVIEW	186
MAP • West Europe Inside Back C	lover

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## **Current History**

FOUNDED IN 1914

APRIL, 1973 VOLUME 64 NUMBER 380

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Published monthly by Current History, Inc., 4225 Main St., Phila., Pa. 19127. Second class postage paid at Phila., Pa., and additional mailing offices. Indexed in The Reader's Guide to Periodical Literature. Individual copies may be secured by writing to the publication office. No responsibility is assumed for the return of unsolicited manuscripts. Copyright © 1973, by Current History, Inc.

## Coming Next Month

### EAST EUROPE, 1973

In our May, 1973, issue, seven articles evaluate conditions in East Europe, including changing United States policy toward the area, and the European Security Conference.

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Poland: Old Wine in New Bottles? by RICHARD F. STARR, Hoover Institution

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# Current History

**APRIL**, 1973

VOL. 64, NO. 380

In this first of two issues on Europe, seven articles explore the policies of the European Common Market nations, their relations with the superpowers, and their thrust toward a united Europe. Our introductory article points out that as Europe moved into the 1970's, its "evolution on all fronts appeared promising enough. United States interests and traditions had become too enmeshed in European affairs to permit any retreat to prewar isolationism. At the same time, Europe's stability had encouraged a Western attitude of resignation toward the Soviet hegemony.... Never, it seemed, had the chief trends in European diplomacy better served the highest interests of all."

## Europe and the Superpowers

By NORMAN A. GRAEBNER

Edward R. Stettinius Professor of History, University of Virginia

Between the autocracy of Russia on the East, and the democracy of America, aggrandized by the conquest of Mexico, on the West, Europe may find herself more compressed than she may one day think consistent with her independence and dignity.

Journal des Debats (Paris), 1845

Europe's historic grandeur as the center of world politics failed to survive the onslaught of Hitler's war. From that ruination, two superpowers emerged to command Europe's destiny. Even a generation later, the United States and the U.S.S.R. remained the dominant factors in Europe's military, political and economic life. The two superpowers faced each other across Europe through that quarter century in the most massive and costly peacetime confrontation in history, each determined to free the continent of the postwar encroachments of the other.

Still, the American presence in Europe after midcentury rested on foundations that scarcely related to Soviet influence at all. Stalin had chosen to collect the tangible gains of victory available to him by creating a Soviet hegemony across East Europe. For Washington, no less than for West Europe, the evident collapse of the traditional European balance of power demanded some response to discourage further Russian advances and, hopefully, to restore all Europe to its pre-Hitler political and territorial condition. American power on the continent, whatever the infringements on European independence, became the price of a reconstructed balance between East and Westenser

at mid-century to resurrect a united, independent Europe? Moscow's challenge, both to Western security and to Western principles, confronted Washington with two fundamental courses of action. The first, emphasizing the collapse of the balance of power, dictated the creation of preponderant military power in the West to frustrate possible Soviet aggressiveness. The second, risking negotiations to reduce the burgeoning tensions, demanded a formal Western recognition of the political and territorial consequences of the Russian victory in the war. Soviet rhetoric and military preparedness, added to the impenetrable nature of Russian totalitarianism, encouraged the Truman administration to reject the possibilities of Amid existing and easily fruitful negotiations. expanded doubts regarding the Kremlin's reliability, it was simpler and preferable politically to generate power than to arrive at a more precise understanding of Soviet intentions or to recognize the postwar Soviet hegemony.

Dean Acheson, as Secretary of State between 1949 and 1953, formulated the essentials of two decades of United States policy toward Europe. For Acheson, Hitler's aggression in the 1930's was a simple measure of Western military weakness. Thus, Western preparedness would prevent those actions which had led to war in 1939. NATO would eliminate the fear that the U.S.S.R. might break through its self-imposed iron curtain. Through the formation of the Atlantic Alliance, observed President Harry Truman at the formal signing on April 4, 1949, "we hope to create a shield against aggression and the fear of aggression—

What policies were available to the Ectoriconic REPRODUCTION PROHIBITED

real business of government and society...." Acheson soon favored the maximum development of West German power both as a deterrent against Soviet expansion and as a force for freedom in Central Europe. Even trans-Atlantic trade had value less for commercial profit than for Europe's growing strength. The ultimate test of any policy for Acheson was its impact on the West's capacity to resist Russia.

Acheson based his quest for greater strength and unity in NATO on the assumption that the U.S.S.R. remained an expansive force bent on world domination—a danger not only to West Europe but ultimately to the United States and its way of life. The war in Korea, the fall of Czechoslovakia, and the Berlin blockade convinced the Truman administration that the Kremlin was prepared to use force to gain its objectives. For Acheson, the U.S.S.R. was an elemental force of nature, not unlike a mighty river, which might be kept within its banks by counterforce but could not be stopped. In its persistent drive to expand, the Soviet leadership would never approach any negotiation with a sense of fairness or reciprocity.

As early as the Senate hearings on the Truman Doctrine in April, 1947, Acheson denied that direct negotiations with the Kremlin would resolve any cold war issues.

I do not think [he informed the Senators] that is the way our problems are going to be worked out with the Russians. I think they will have to be worked out over a long period of time and by always indicating to the Russians that we are quite aware of what our own interests are and that we are quite firm about them and quite prepared to take necessary action. Then I think solutions will become possible.

Acheson's concepts of power and diplomacy, supported by the Munich analogy, won overwhelming support both in Washington and in the capitals of West Europe.

#### STABILITY AND DIVISION

For Acheson, Western power and determination stabilized Europe and created a promising postwar balance of power when in 1949 it compelled Stalin to lift the Berlin blockade and acknowledge the existence of West Germany. Confronted with inflexible will, the Soviets had retreated. They would do so again. Following the show of Western unity at the Paris Foreign Ministers Conference in May, 1949, Acheson announced that the West had gained the initiative in Europe.

[T]hese conferences from now on [he informed the press on June 23] seem to me to be like the steam gauge on a boiler. . . . They indicate the pressure which has been built up. They indicate the various gains and losses in positions which have taken place between the meetings, and I think that the recording of this Conference is that the position of the West has grown greatly in strength,

and that the position of the Soviet Union in regard to the struggle for the soul of Europe has changed from the offensive to the defensive.

That minority of Americans and Europeans who doubted that NATO, whatever its military effort, would have its way in Europe without war questioned the Western build-up of power. The immediate goal of Western policy was security; the ultimate goal could be only a negotiated settlement or war. Yet it was clear that Washington was determined to avoid both alternatives under the assumption of a gradual Soviet retreat. Acheson was compelled, therefore, to rationalize his preoccupation with power as a temporary condition preparatory to an eventual resolution of the cold war largely on Western terms. To give the nation's defense policies a needed sense of direction, especially after the President's decision to proceed with the development of the super bomb, Acheson developed the promising concept of negotiation from strength. He first developed this theme in a press conference of February 8, 1950:

What we have . . . observed over the last few years is that the Soviet Government is highly realistic and we have seen time after time that it can adjust itself to facts where facts exist. We have also seen that agreements reached with the Soviet Government are useful when those agreements register facts. . . So it has been our basic policy to build situations which will extend the area of possible agreement; that is to create strength instead of weakness which exists in many quarters. . . Those are ways in which in various parts of the world we are trying to extend the area of possible agreement with the Soviet Union by creating situations so strong they can be recognized, and out of them can grow agreement.

Acheson's concept of negotiation from strength meant, in practice, no negotiation at all. For strength adequate to alter Soviet purpose would render negotiations unnecessary. Diplomatic confrontations were the occasions, the Secretary declared on numerous platforms, not for negotiation, but for recording Soviet failures. Until Western advantage was sufficient to produce precisely that result, Acheson preferred that the West avoid any settlements.

That this policy would merely reaffirm the divisions of Europe and Germany mattered little to security-minded peoples bound together after 1950 in a full-blown defensive alliance. A divided continent would scarcely achieve the goal of self-determination in East Europe or the cause of German unity, but it would provide the easiest escape from the dilemma of coming to terms with the military and political realities of Europe.

For leaders on both sides of the Atlantic, the emerging status of postwar Europe was supremely satisfactory. Whereas with American aid West Europeans quickly achieved unprecedented economic expansion and prosperity under conditions of untrammeled po-

litical freedom, the United States assumed primary responsibility for their defense against both Russia and Germany. This eliminated for them the need to formulate any genuine policies toward either power. What mattered for Washington was military power—the necessary strength both inside and outside NATO to deter the Russians from attacking West Europe. If Europeans after mid-century shared neither the fears nor the long-range goal of self-determination which drove American policy, they could bask in their prosperity while they coexisted in reasonable security with the Soviet hegemony which they dared not recognize.

Only George F. Kennan among ranking American diplomats challenged Acheson's refusal to consider the possibility that Soviet intentions might have been more limited and more responsive to United States behavior than the rhetoric of Soviet insatiability implied. On July 12, 1950, Kennan explained why American leaders had based their response to the Soviet challenge on power alone:

Plainly the government has moved into an area where there is a reluctance to recognize the finer distinctions of the psychology of our adversaries, for the reason that movement in this sphere of speculation is all too undependable, too relative, and too subtle to be comfortable or tolerable to people who feel themselves confronted with the grim responsibility of recommending decisions which may mean war or peace. In such times, it is safer and easier to cease the attempt to analyze the probabilities involved in your enemy's mental processes or to calculate his weaknesses. It seems safer to give him the benefit of every doubt in matters of strength and to credit him indiscriminately with all aggressive designs, even when some of them are mutually contradictory.

#### THE FAILURE OF LIBERATION

Acheson's formula, which attributed to the defensive policies of containment the capacity to promote the collapse of the Soviet empire, set the limits to the American consensus on matters of Europe. But to move the continent beyond its existing stalemates the Eisenhower administration, after January, 1953, promoted the notion that it could accelerate the Soviet withdrawal from Slavic Europe without war. In the Republican platform of 1952, John Foster Dulles, soon to become Secretary of State, promised a program that would:

mark the end of the negative, futile, and immoral policy of "containment" which abandons countless human beings to a despotism and godless terrorism which in turn enables the rulers to forge the captives into a weapon for our destruction.

Nothing less than the breakup of the Soviet empire would restore European security. During his campaign for the presidency, General Dwight D. Eisenhower warned the Kremlin that the Western nations would:

never rest until the enslaved nations of the world have in the fulness of freedom the right to choose their own path, for then, and then only, can we say that there is a possible way of living peacefully and permanently with communism in the world.

Such rhetoric established the new American policy goal of liberation. Unfortunately, like all such broad objectives based on principle, the Eisenhower-Dulles attachment to liberation either meant nothing or it meant war. Time would demonstrate that liberation meant nothing and that the Eisenhower administration, like that of Truman, would emphasize containment with the successful move to bring West Germany into NATO early in 1955. At the same time, Washington continued to condemn the U.S.S.R. and insisted that the conflict between communism and freedom across Europe was irreconcilable. For Dulles, any recognition of the Soviet hegemony would be appeasement, and would place the West on the road to disaster. In December, 1955, the administration reaffirmed the fundamental purpose of United States policy in Europe: "The peaceful liberation of the captive peoples is, and, until success is achieved, willcontinue to be a major goal of United States foreign When Soviet Premier Nikita Khrushchev condemned such American interposition in Kremlin affairs. Eisenhower reminded him that Washington would never desert the goal of liberation. Yet except for proclaiming "Captive Nations Week," neither Congress nor the administration pursued any course of action to help the enslaved. If the American people favored liberation, they also savored the peace.

This concentration on defense, unity and inflexible purpose within the Atlantic Alliance helped to sustain certain elements of bipolarism in Europe. gave Western capitals little room for diplomatic Beyond assertions of mutual good maneuvering. faith, a perennial agreement for greater defense efforts in Europe, and an occasional longing for surcease from tension, there was little in Western diplomacy except the quest for strength and time to compel a Soviet acceptance of Western precepts of international behavior. Unfortunately, the U.S.S.R. revealed no sign of weakening or of releasing its grasp on its satellite empire. Indeed, during May, 1955, the month that West Germany became a member of NATO, the Soviet Union signed the Warsaw Pact with the countries of East Europe. In January, 1956, East Germany became a member of the pact. Despite the intent of liberation, Europe never seemed more thoroughly under the controlling influence of the two superpowers than during the late 1950's. If Slavic Europe was victimized by Soviet power, West Europe, if politically free, was leashed by the requirements of Western diplomatic and military unity and the inflexibility of Western purpose toward the Kremlin.

LICENSEE ath superpower guaranteed the security of a por-ELECTRONIC REPRODUCTION PROHIBITED tion of the continent and, in practice, respected the position of the other as one that could be challenged only at the price of a general war.

#### **EUROPE'S QUEST FOR INDEPENDENCE**

In limiting NATO originally to 20 years, Western leaders assumed that the alliance would be temporary and that, by containing Soviet expansionism, it would achieve some resolution of Europe's divisive issues. Throughout the 1960's spokesmen of the Kennedy and Johnson administrations rationalized Washington's continued search for adequate power by stressing the precept of negotiating from strength. That the United States had long possessed sufficient strength for successful negotiation seemed clear enough. Indeed, after the mid-1950's, United States diplomats had the backing of a national capacity to reduce much of the earth's surface to rubble in a matter of hours. Still there were no fruitful negotiations. In Europe, this remained a matter of minor consequence. Power even without diplomacy satisfied the needs of containment, not because the threat of nuclear war was rational, but because there was little danger of conflict. Yet if negotiation was the declared end of containment, and if the United States possessed sufficient force to obliterate much of the U.S.S.R. in a single day, then why were there no settlements?

Obviously, the failure of negotiation hinged less on the elusiveness of power than on the objectives pur-Whereas both the United States and the U.S.S.R., in their day-to-day decisions, accepted the status quo without hesitation, they could arrive at no long-term arrangement based on the status quo. For the United States, clearly, this revisionism still sought the creation of a compatible world in which all nations would be free and would be governed by principles of peaceful cooperation and the rule of international law. European and American critics wondered increasingly whether this perennial quest of the unachievable, supported by the most expensive arms race in history, served any useful purpose. Some European capitals were determined to escape the confines of foreign policies that could produce nothing but Europe's continued division.

Within the satellite states of East Europe the pressures toward liberalization were insatiable, with Poland, Rumania, Czechoslovakia and Hungary moving beyond direct Kremlin control with varying degrees of success. If none of these countries approached Yugoslavia's independence, they had, by the early 1970's, gained extensive command of their internal affairs at the price of sustaining a pro-Soviet posture in their external relations. Through a wide variety of bilateral agreements, they expanded their trade and cultural contacts with the West. Still the Soviet bloc entered the 1970's as a significant factor in European affairs. In the Brezhnev Doctrine the Kreinlin Isill NZ DRG

claimed the right to suppress tendencies in any of the satellites which endangered socialism.

For West Europe, the drive toward greater selfassertion encompassed an effort to control those decisions which might determine the region's destiny. Throughout the 1960's Washington encouraged West Europeans to entrust the peace to the deterrent effect of the American nuclear arsenal. European leaders desired guarantees that weapons which they did not control would be available to them in a crisis. What caused them to doubt NATO's future credibility was the vulnerability of the United States to nuclear destruction. How convincing would an American suicidal threat be in defense of Europe? The Kennedy administration opted for a flexible strategy based on an impressive array of conventional weapons. But flexibility, Allied spokesmen charged, would not serve West Europe's interests. By softening the nuclear deterrent, a flexible response might invite a conventional attack which could again submerge Europe in war.

For Britain and France—both nuclear powers—a partial answer lay in a European-based nuclear arsenal. But most Western leaders favored some form of European participation in the control of the American nuclear arsenal. They required the assurance that nuclear weapons would indeed be present in sufficient numbers if the need arose, and that, if used, they would be employed to minimize Europe's destruction. Europeans were concerned as well that American decisions elsewhere in the world would not involve them in war when their interests were not at stake.

For Washington, on the other hand, the ideal arrangement would create the appearance of European nuclear participation with the retention of sufficient control to compel Europe to accept the essentials of both the strategic doctrine and the foreign objectives of the United States. With notions of the ideal nuclear strategy so disparate, American and West European leaders, through a full decade of debate, could reach no satisfactory formula. As late as 1973, this mattered little, because the world was not threatened with a nuclear confrontation.

On matters of diplomacy, the assertion of West European leadership was far more eventful. Those convictions of security which permitted NATO to neglect critical decisions on defense encouraged some Western capitals to seek agreement with the Kremlin which at last recognized the war's irreparable damage to the Versailles system. Europeans knew that the cold war, whatever its high cost, would not unravel the Soviet hegemony in East Europe. West Germany's Chancellor Willy Brandt emerged as the first Western leader to negotiate formal pacts which accepted the consequences of the Russian victory in World War

Brandt's Ostpolitik moved into high gear in September, 1969, when he assumed the West German chancellorship. On August 12, 1970, he signed the celebrated West German non-aggression treaty with the Soviet Union. The agreement recognized the postwar boundaries of Central Europe and provided for economic, technological and cultural cooperation between the two countries. By securing recognition of existing frontiers, the Soviets claimed credit for liquidating the German problem. During November, 1970, Brandt concluded a treaty with Poland in which both nations accepted the postwar German-Polish boundary-the Oder-Neisse line-which transferred 40,000 square miles of former German territory to Poland. Brandt had accepted major changes in the Versailles peace structure—something which London and Washington had refused to do. Brandt reminded his Western critics that no Western policy was aimed at upsetting the status quo. To recognize existing conditions, therefore, hardly gave anything away, especially when Hungary (1956) and Czechoslovakia (1968) had demonstrated that self-determination could not triumph anywhere in East Europe against the will of the Kremlin.

#### THE NIXON RESPONSE

This trend toward European self-assertion won the reluctant approval of the Nixon administration. President Richard Nixon admitted in his February, 1971, foreign policy report to Congress:

When the Atlantic Alliance was formed, we were united in the face of a common danger. Today, while our concern for security remains, it is no longer enough for us to concentrate simply on what we are trying to prevent; we need a clearer vision of what we are seeking to achieve.

The unnatural division of Europe, the President added, was no longer accepted as inevitable or permanent.

Still the President urged caution. Detente required substance as well as atmosphere. "In our view," he said, "detente means negotiating the concrete conditions of mutual security that will allow for expanded intra-European contact and cooperation without jeopardizing the security of any country." There was danger that the Soviets, in their selective policies toward West Europe, might prefer to negotiate specific issues at the expense of broad agreements. If the Allies disagreed on priorities and even on some goals, they still required approaches harmonious enough to minimize Kremlin efforts to divide them. Europe's new spirit of independence, the President acknowledged, was a source of Allied strength. "But our cohesion, too," he noted, "is a source of strength, which made possible the freedom of action of individual allies. We must learn to reconcile autonomy and unity."

United States attitudes toward the future of East Europe remained ambivalent. This country, Nixon assured Congress, had accepted France's independent position and its 1970 consultative pact with the U.S.S.R.; it had made no effort to restrain Willy Brandt's initiatives. At the same time, the President warned that the Soviets too often regarded detente as the equivalent of a Western recognition of the The administration had resisted the status quo. movement toward the all-European security conference, scheduled for 1973, because of fear that any East-West agreements would undermine, in the words of Secretary of State William P. Rogers, "the right of the people of each European state to shape their own destiny free of external restraint." Still the Nixon administration itself in 1972 deserted self-determination as the sine qua non for any broad agreement with the U.S.S.R. In the Moscow summit meeting in May the President recognized the overriding importance of reaching some understanding with the Kremlin on a wide range of outstanding issues which had perpetuated the cold war and sustained the arms race. Nixon, like Brandt, had taken the initial steps toward recognizing Russia's postwar position in Europe.

What disturbed European observers especially in this burgeoning movement toward detente was Washington's inclination to inform rather than consult. Some believed that diplomatic progress still demanded solid relationships among the NATO allies far more than agreements with the U.S.S.R. British statesman Anthony Eden warned in January, 1973:

Consultation between allies needs to be especially searching before negotiations between the United States and the Soviet Union are embarked upon. It must never be forgotten that Russia's objective is to pry apart the countries of NATO and to establish herself as the dominating power over Europe. The continuing buildup of Russian military power in Europe by land, sea and air supports this purpose and cannot be explained otherwise.

Whereas West European leaders generally favored the forthcoming European security conference and agreed in principle to Mutual and Balanced Force Reductions (MBFR) in Europe, they warned that United States and Soviet troop withdrawals were not geographically or politically comparable. That diplomacy might in time dismantle the Berlin Wall and the iron curtain seemed clear enough. But as Brandt and

(Continued on page 181)

Norman A. Graebner holds the Edward R. Stettinius Professorship in Modern American History and is a member of the University of Virginia's Center for Advanced Study. He has taught at Iowa State University, Stanford University and the University of Illinois. He is coauthor of History of the American LICENSEPeople (New York: McGraw-Hill, 1970).

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"In sum, the Brandt government in 1973 could look with a measure of satisfaction upon foreign policy developments in all areas of the globe. In well planned and well executed schemes, the West German government has achieved its basic goals without suffering serious reverses."

## West Germany's Foreign Policy

BY GERARD BRAUNTHAL
Professor of Political Science, University of Massachusetts

HE REELECTION OF WILLY BRANDT as Chancellor in November, 1972, guarantees a continuity in West German foreign policy. Reelection was uncertain in the wake of dramatic political developments dating back to April, 1972. As a result of the defection of a number of deputies to the opposition Christian Democrats (CDU), primarily due to disputes over the Ostpolitik (a policy of rapprochement with Communist states), Brandt's original slim 12-vote majority in the Bundestag evaporated, and he was faced with tie votes. When, on April 27, the Christian Democrats and their Bavarian ally, the Christian Social Union (CSU), attempted to oust the Brandt coalition government through a "constructive vote of no-confidence" and to elect their chairman, Rainer Barzel, as Chancellor instead, the attempt failed. The impasse was settled after the summer recess when Brandt dissolved the Bundestag and called for a new parliamentary election. For the first time in West German history, the Parliament did not complete its normal four-year term, because of the government's inability to maintain support from a majority of deputies.

During the campaign, the CDU/CSU challenged Brandt's Ostpolitik, but obviously could not convince the majority of voters that major breakthroughs should be moderated or stopped. The party also challenged Brandt's domestic policies, which were more vulnerable in view of inflationary price rises, but the voters seemed not too worried in the face of full employment and continuing prosperity.

The election results demonstrated strong support for the governing parties. The Social Democratic party (SPD) received 45.8 per cent of the vote, and its junior coalition partner, the Free Democratic party (FDP), 8.4 per cent. The two parties have 271 seats in the Bundestag, representing a comfortable 46-seat majority. To its chagrin, the CDU/CSU remained in opposition, capturing only 44.9 per cent of the vote and 225 Bundestag seats. For the first time since 1949,

when the first Parliament convened, the CDU/CSU received less votes than the SPD. The popularity of Brandt and his foreign policy program were too strong for the less colorful Barzel and his more diffuse party program.

#### POLICY TOWARD THE WEST

Brandt could claim significant progress in his negotiations with Western and Eastern countries during his first administration (1969–1972). His grand strategy of maintaining close links with the United States and West Europe while establishing new links with Communist states unfolded without a major hitch. True, the Federal Republic (F.R.G.) and other West European states were dismayed at continuing United States involvement in Vietnam, but they hoped that once the conflict ended, the United States would again pay more attention to the Atlantic Community. The Brandt government hoped that as a consequence stability in the international monetary situation would be enhanced, leading in turn to fewer inflationary pressures in the F.R.G.

The Brandt government has also been concerned about any potential United States troop cuts on West German territory. It was not entirely displeased when President Richard Nixon was reelected, since he had pledged to maintain a military presence without a unilateral reduction.

#### THE EUROPEAN ECONOMIC COMMUNITY

West German foreign policy toward the West centers increasingly on the European Economic Community. Brandt had pushed hard for the admission of Great Britain, Ireland, Denmark and Norway into the sixmember EEC, not only to strengthen it but, especially in the case of Great Britain, to serve as a counterweight to the influence of France.

The F.R.G. also welcomed a decision made at an EEC summit conference in Paris in October, 1972, to establish a European Fund for Monetary Cooperation

as the first step toward a projected monetary union. The fund, to go into effect on April 1, 1973, will have a reserve of \$1.4 billion, to be available in credits to any member state if its currency threatens to fluctuate beyond a safe margin set by the EEC. In addition, Brandt asked the EEC to fight the ubiquitous problem of inflation through price stabilization.

Concerned about slow progress in the industrial relations and social fields, Brandt suggested at the summit meeting that the EEC launch a community-wide social action program, which would include such measures as a coordinated job market and employment policy to complement freedom of movement for workers, the elimination of regional imbalances through the establishment of a regional policy, and the drafting of community-wide labor contracts.

Brandt called for a strengthening of the powers of the European Parliament, the advisory legislative arm of the EEC. He suggested that EEC institutions draft a plan for the "gradual extension of the Parliament's budgetary and legislative powers and controlling rights." He opted for the direct popular election of members of this Parliament to supplant the existing appointive system.

Whether these proposals, some new and some made previously, will ever be adopted remains to be seen. The crux of the matter is that they require some abrogation of national sovereignty which member states have jealously guarded and would surrender reluctantly. The F.R.G. has been wary of French reluctance to move more swiftly toward European integration, as illustrated by President Georges Pompidou's hesitancy to schedule the Paris summit meeting in October, 1972. Pompidou's statement that each EEC member has its vocation, "England the financial, the F.R.G. the industrial, the Benelux bloc the commercial, and France the political," was not greeted enthusiastically in the German press, which wondered why Pompidou reserved the political sector for France.

#### **OSTPOLITIK**

Dramatic developments have occurred in West Germany's foreign policies toward the East. When Brandt became foreign minister in a CDU/SPD coalition government in 1966, he was successful in moving toward a policy of detente with the Communist bloc to supersede the cold war stalemate. He has maintained the momentum since assuming the chancellorship in 1969. His grand design has been to conclude agreements with the Soviet Union and all East European nations for a mutual renunciation of the use or threat of force, primarily in order to dispel their fear of renewed Ger-

<sup>1</sup> For full details, see the May, 1972, issue of Current His-

man aggression and to establish normal relations with them.

Talks began with the Russians in December, 1969, and were concluded successfully in August, 1970, when Soviet Prime Minister Aleksei Kosygin and Willy Brandt signed the historic treaty in Moscow. In December, 1970, Brandt signed a similar treaty with Polish Prime Minister Josef Cyrankiewicz.<sup>1</sup> It included the recognition of the Oder-Neisse line as the permanent German-Polish border. Brandt, however, still had to obtain parliamentary ratification for the two treaties. The CDU leaders wavered from a negative position to lukewarm support, but in the end their CSU colleagues convinced most party deputies to They viewed the treaties as a disguised capitulation to the Communist powers and as an illusion that relations with Moscow and Warsaw could be improved. On May 17, 1972, the Bundestag finally approved the treaties, after a prolonged delay due to Allied negotiations over Berlin.2

By September 3, 1971, the Allied powers had concluded these negotiations and had signed a Quadripartite Agreement on the status of West Berlin. The Soviets guaranteed Western access into West Berlin, a West German government presence, and increased contacts between the residents of West and East Berlin. In return, the West allowed the Soviet Union the right to open a consulate in West Berlin. Not until June 3, 1972, did the Berlin accord and the Moscow and Warsaw treaties go into effect, upon the exchange of ratification documents.

While the three accords did not significantly change the status quo in Europe, they obviously contributed to the gradual dissipation of the cold war atmosphere which had shrouded the international scene for a quarter of a century. Brandt considered the treaties as the cornerstone of his Ostpolitik, a cornerstone on which he expected to conclude other accords.

Cooperation between the F.R.G. and the Soviet Union has been as close as could be expected in recent years, given the history of their bitter military conflicts and the differences in their ideologies and social systems. On July 5, 1972, the two governments signed a long-term trade accord, the first one since 1963, when the Soviet Union refused to include West Berlin as an integral part of the F.R.G. In the 1972 accord, West Berlin was included, and more goods imported into the F.R.G. from the Soviet Union were freed from import restrictions, bringing the total freed to 84 per cent. While the volume of trade has almost doubled in the last decade, to the F.R.G. it represents still only a small share of total imports and exports the Soviet Union ranks in sixteenth or seventeenth place among West Germany's trading partners. One of the chief reasons for the limited trade is Moscow's LICENSEshortage of foreign currencies because of the limited

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tory on West Germany.

The Moscow treaty was approved by 248 SPD and FDP deputies, while 10 CDU/CSU deputies voted against it, and 238 others abstained. The vote on the Warsaw treaty differed only slightly.

number of marketable goods it can export to the industrialized West.

#### **POLAND**

During the cold war era, in 1955, the F.R.G. established diplomatic relations with the Soviet Union but with no other Communist country. As part of the *Ostpolitik*, the F.R.G. made plans to normalize relations with these countries, but the pace has been slow because of the memories of the Nazi conquests and the horrors perpetrated during the occupation era.

In the wake of the West German-Polish treaty signed in 1970 and ratified in 1972, the two governments conducted negotiations to establish diplomatic ties. the summer of 1972, the talks nearly bogged down over a number of unresolved issues such as the slow pace of repatriation of ethnic Germans still living in Poland and frictions over German-Polish trade. In a speech in July, Polish Prime Minister Piotr Jaroszewicz warned that there is still a "difficult fight ahead" until the complete normalization of relations between the two countries, although he did not rule out establishing embassies in the meantime. He listed four points as preconditions for a complete normalization. 1) The provisions of the Eastern treaties, especially as regards the recognition of European borders, must be fully met; 2) the F.R.G. must establish normal relations with all socialist countries, especially the German Democratic Republic (East Germany); 3) the F.R.G. must participate in the preparations for a conference on security in Europe and must implement its decisions; and 4) the "intellectual process of reorientation" in the F.R.G. must be advanced to the point of "accepting the political realities in Europe."

In addition, the Polish Prime Minister cited as still unresolved problems the anti-Communist broadcasts of "Radio Free Europe" emanating from Munich, and restitution payments for Poles deported during the Nazi period. He also urged the West Germans to be cautious in the sphere of cultural relations, in which "the aims of the F.R.G. are tied to the NATO concept of a free exchange of ideas, persons and information. This concept bears the character of ideological splintering."3 Bonn spokesmen did not deny the nature of the difficulties and acknowledged that normalization was expected to be a long-term and arduous process. Foreign Minister Walter Scheel (FDP) asserted that his government understood Poland's problems, but both sides must accept compromises, and in the process "root out old and outdated clichés."

Despite these lingering problems, the two governments were eager to establish diplomatic relations. Polish Foreign Minister Stefan Olszowski paid a two-

day visit to Bonn on September 13 and 14, 1972, the first journey by a high Polish official to the capital of the Federal Republic. Olszowski and Scheel agreed to establish diplomatic ties immediately, and to discuss further the repatriation and trade issues. They planned also to facilitate the reunion of separated families, and to expand scientific-technical cooperation and cultural and youth exchanges. They endorsed the work of groups of experts who were examining the contents of school books for the purpose of eliminating biased and ethnocentric materials.

#### **CZECHOSLOVAKIA**

While progress was being made to implement the Soviet and Polish treaties, the West German government could not claim much progress in its attempt to produce a rapprochement with Czechoslovakia. Although Soviet and Polish diplomats could not erase bitter wartime memories in their negotiations with the F.R.G., Czech diplomats were haunted in addition by the Munich Accord of 1938, in which Hitler forced the dismemberment of their country. As Czech party leader Gustav Husak pointed out in June, 1972, "We cannot act as if nothing ever happened. And we presume that this is being understood by our West German partners." While it was understood, the nub of the difficulty lay in different interpretations of the validity of the Munich Accord. The Czech position has been that the accord was never valid (ex tunc). The West German position has been that it is presently invalid and has been unjust from the outset, but that international conventions and legal ramifications prevent Bonn from declaring it as invalid from its inception (ex nunc). Obviously, the Czechs reject the "Western-made" international law concept which deals with state obligations to honor treaties, while the Germans feel obliged to honor it.

Until now, the two sides have not budged an inch on the issue, although the Czechs have conceded that the legal status of former Sudeten Germans would not be affected if their interpretation were accepted. As the Frankfurter Rundschau put it, "The devil still hides in the details of the intricacy of legal consequences resulting from the different dates of invalidity." While five rounds of negotiations have taken place to date and the impasse continues, Brandt has stated that the two sides are actually not so far apart. Undoubtedly an accord is in sight, but no one knows when it will be reached.

Once an accord is signed, Bonn will seek to establish diplomatic relations with other Eastern bloc countries. Hungary ranks high on the list.

#### GERMAN DEMOCRATIC REPUBLIC

For the average West German citizen who may have relatives in the German Democratic Republic, interest

<sup>&</sup>lt;sup>3</sup> German Information Center, Relay from Bonn, July 28,

<sup>&</sup>lt;sup>4</sup> Frankfurter Rundschau, June 12, 1972 LICENSED TO UNZID Brandt's Ostpolitik centers more on the G.D.R. ELECTRONIC REPRODUCTION PROHIBITED

than on the Soviet Union, Poland or Czechoslovakia. Ever since October, 1969, when Brandt acknowledged the existence of two states (F.R.G. and G.D.R.) within one German nation, the desire to develop a "regulated co-existence" between them, and the abandonment of reunification as an immediate foreign policy goal, the East German authorities have been more amenable to working out a modus vivendi with Bonn leaders.

In November, 1970, F.R.G. State Secretary Egon Bahr, who had been instrumental in negotiating the Moscow and Warsaw accords, met with his counterpart from the G.D.R., State Secretary Michael Kohl, in the first of a series of long negotiations. On September 30, 1971, they concluded a postal agreement, which envisaged an extension and improvement of postal and communications facilities between the two states. On April 27, 1972, they concluded a transport treaty which made it easier for West Germans to travel into Berlin and the G.D.R., and for East Germans to travel to the F.R.G. for urgent family matters. After the treaty was ratified on October 17, inter-state travel reached the highest level since the founding of both states.

The transport pact represented the first treaty ever concluded between the two states. Since prior to 1969 they hardly acknowledged each other's existence, the treaty marked a step forward toward a more friendly climate. Bonn leaders viewed it as one of a series of steps in the development of special intra-German relations, binding in international law, but not implying diplomatic recognition on either side. They argued that the relations must be of a special nature as long as there are four-power rights and responsibilities for Berlin and Germany as a whole, valid until a final peace settlement. Implicit in these statements has been a West German plan to leave the door ajar for an eventual reunification and a desire not to deal with East Germany as a totally foreign state.

East German leaders, on the other hand, have stated for some time that they view both countries as sovereign states which ought to exchange ambassadors. Such diplomatic recognition would obviously enhance their status and would precipitate recognition by states throughout the world. But the F.R.G. has stood its ground, and East German leaders have realized that they would have to concede this point, especially if they expected to receive Western backing for admission into the United Nations.

The concession came in the form of a basic intraGerman treaty, negotiated by Bahr and Kohl over a
two-year period. On November 8, 1972 (12 days
before the West German election), they initialed the
treaty, and on December 21 they signed it. Both
Parliaments still have to ratify it, but promulgation is
expected by April, 1973. The Brandt government,
enjoying a healthy majority since the November, 1972,
election, expects no difficulty in the Bundestag Cal NSE versity Press, 1972).

though the CDU/CSU is expected to vote against the treaty because, in its view, it perpetuates the division of Germany. The G.D.R. government has committed itself to acceptance.

As expected, the treaty falls short of providing for full diplomatic recognition, but each state will be represented in the capital of the other by a permanent representative with the title of plenipotentiary minister. The treaty also stipulates that the two states will solve their differences by peaceful means, will respect each other's territorial integrity and sovereignty, will regulate practical and humanitarian questions in the course of normalizing their relations, and will promote cooperation in the fields of economy, science, transport, posts, public health, culture, sports, protection of the environment, and others. It calls for a joint remarking of the whole frontier and the creation of a joint commission to deal with canal traffic, electric power supply, fire fighting and drainage in the border area.

Both states promise to ease the problems of families separated by the border, to discuss the exchange of books, magazines and radio and television programs. The G.D.R. consents to the opening of new border crossing points to allow West German citizens to visit the East German border areas. Soon after the signing, the G.D.R. released hundreds of political prisoners to West Germany.

Another aftereffect of the treaty was the recognition extended immediately to the G.D.R. by the neutral states of Austria, Sweden and Switzerland. The three Western Allies, the United States, Great Britain and France, declared their readiness to establish de facto diplomatic relations with the G.D.R., but not before treaty ratification. At the same time, the four Allied powers issued a declaration reaffirming their rights and responsibilities for Germany as a whole, and pledging to support the application of both Germanys for membership in the United Nations. Barring any obstacle, the General Assembly is expected to approve the applications this fall.

While the treaty does not solve the question of reunification, neither does it perpetuate the division forever. It has created the basis for a détente in Germany and Europe, since it ensures that the German question will not provide a source of constant tension between East and West.

(Continued on page 181)

Gerard Braunthal is a specialist in German politics and comparative government. He was a visiting professor at Freiburg University in 1970–1971, and is the author of The Federation of German Industry in Politics (Ithaca: Cornell University Press, 1965), and The West German Legislative Process: A Case Study of Two Transportation Bills (Ithaca: Cornell University Press, 1965).

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In France, "the crowning irony is the fact that in many ways the New Left looks more like the old Right." What effect will political developments in France have on European integration? "Most Frenchmen have accepted the Common Market of the nine, but probably fewer than ever are eager to push on toward effective integration in political union."

## France: L'Après Gaullisme

BY EDWARD WHITING FOX
Professor of Modern European History, Cornell University

FTER DE GAULLE WHAT? For years before President Charles de Gaulle's retirement from public life in April, 1969, the French had been obsessed with the question of après Gaul-Could the Gaullist majority—both in the country and in the Assembly-be preserved after the General's disappearance; and could any successor wield the awesome but ambiguous powers of the presidency and maintain the new regime? And would he continue de Gaulle's perverse policies toward Europe, Britain and the United States? Answers to these questions would be fateful not merely for the French but for the West as well. While de Gaulle remained in power no prediction was convincing; and after his retirement the transition was so smooth as to suggest that Gaullism, without de Gaulle, was selfperpetuating.

The General's successor and erstwhile Prime Minister, Georges Pompidou, maintained the authority of the presidency, much of its style and the main lines of his predecessor's policies. (He had moved gradually to the admission of Britain to the Common Market which was finally accomplished at the beginning of the present year—but if this deviation angered a few left-wing Gaullists, and pleased some devotees of Europe, it seemed to produce no serious political repercussions.) As the National Assembly approached the end of its term, and the country faced its first major political campaign of the post de Gaulle period, conventional wisdom held that French voting patterns were fixed for the foreseeable future and that the current majority could expect to be returned.

As the campaign gathered momentum in December, 1972, however, the polls began to register a downward trend in Gaullist—and a corresponding rise in Leftist—support. Not only did this sow panic in the ranks of the former and ebullience in those of the latter, it appeared to announce the first significant shift in the French electorate in at least 15 years. Even so, a month before the elections (when this

article went to press) there appeared little likelihood that the Gaullists would lose control of the government and none that the Left could come to power at this time. It did, however, raise the question of what had happened in France, whether the surprising new trend would continue and, if it did, what the implications were for the country and for Europe.

Without running the ridiculous risks of attempting to analyze impending elections that will have taken place (March 4 and 11) before this analysis is published, it is possible to say that the French electoral system will heavily favor the Gaullists. Since the large bulk of the deputies (those who fail to receive a majority on the first ballot) will be elected in a run-off contest a week later, the possibilities for combination and maneuver are infinite. In the past, a challenge from the Left that included Communist participation has always sufficed to rally enough Center votes to forestall the threat; and there seems no reason to doubt that this reaction will save the regime again. Even if the Gaullists lost their absolute majority in the Assembly, their chance of finding enough grudging but reliable allies to continue in power seemed good. In fact, the General himself had always governed with some such coalition. But will it be a mere reprieve?

All serious politicians are faced with a new factor in the French political equation: an alliance of the Socialist and Communist parties that includes political as well as electoral cooperation. Not only is such an arrangement almost without precedent—the Communists and Socialists have always shared a mutual suspicion and antipathy—but it carries the implication that Communists may participate in some future ministry. At first, the menace seemed merely symbolic, because its very appearance could be expected to provoke sufficient reaction among all other parties to preclude its fulfillment; but when this apparently self-defeating alliance began to gain strength in the polls, the name of Prague (with its connotation of

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Communist coup d'état) broke out like a rash in the columns of the bourgeois press.

To be sure, one school of thought argued that these deviations from the established electoral norms were superficial and would more or less correct themselves in the voting booths. This type of analysis worked fairly well in explaining the Gaullist drop: their figures had probably been inflated in recent years, their own left wing detested Pompidou (and had actually tried to challenge his authority with an "alternative" Gaullist ministry) so that some might have defected to the Left; but the rest of the losses were probably protest warnings, registering disenchantment with a series of scandals involving high government officials. Clearly Pompidou could not hold his "barons" on the same tight reins as had his predecessor; but the protestors, it was assumed, had no viable alternative to returning to the fold, when the elections arrived.

Comparable explanations of the gains of the new Left were less persuasive. The country's labor force, which provided the principal electoral base for the Socialists as well as the Communists, was not expanding nor was it likely to, with increasing automation in industry; and while the Socialists drew some support from white collar workers, these were traditionally anti-Communist. The critical question, of course, was whether the source of these new converts to the Left would soon dry up or continue until the alliance enjoyed an outright majority. In its best previous recent effort to present a united front—the presidential election of 1965—the Left had polled 45 per cent of the vote. Impressive as this was, it was politically ineffective.

Given French electoral procedures, the President could only be elected by a majority; and in a general election, the Left was regularly at a disadvantage in translating votes into seats. Thus if the polls were merely registering the same old maximum, the recent gains, though spectacular, were not significant. Only time would tell, but the question did invite reconsideration of the assumption that French voting patterns were immutable.

As the campaign began to develop in December, 1972, and January, 1973, the principal issue became power: how the Gaullists could cling to it, how the center parties could curb or share it, and whether the Left might even seize it. The Gaullists ran on their slightly tarnished, but still solid, record of stable government, continued economic expansion and prosperity (in spite of inflation) and an independent foreign policy. The two small but prestigious parties of the center (the remnants of the old MRP now reorganized as Modern Democrats and the updated

Radical Socialists) demanded constitutional reform, meaning the reduction of the enormous authority of the presidency and the return of effective power to a ministry once again responsible to the Assembly. While both groups were deeply committed to the principles of parliamentary government, they also saw it as their only path to influence. Hope lay in making sufficient inroads on the Gaullists to break their majority and force them to resort to coalition governments in which the Democrats and Radicals would play a decisive role—as a swing-bloc in the center. In this astonishing exercise of self-delusion, they overlooked the fact that such a tactic depended on the ability to "swing," that is, to move from Right to Left, and, on occasion, to join a government that included Communist ministers—a fate these liberals would regard as worse than death, if they bothered to consider it at all.

Speaking for the United Left, François Mitterrand declared that the first thing to do was to apply the constitution. Given Mitterrand's record of unremitting resistance to de Gaulle's authoritarian regime, his formula had to be understood as advocating a more parliamentary use of existing institutions but, significantly, without completely sacrificing the new presidential powers. The ambiguity lurking in this position could be attributed to the fact that Mitterrand had run strongly against de Gaulle in 1965 and undoubtedly hoped to do better against Pompidou in 1976. If the Left had little hope of capturing the Assembly now, it would-if its recent gains continued -have a serious chance in the next presidential contest.

The prospect of Mitterrand in the Elysée (which cannot be entirely discounted) opens interesting vistas. While, despite his alliance with the Communists, he is no Allende,\* he has recently announced his conversion to Marxism and has accepted a joint program that includes the nationalization of the country's remaining private banks and industries. Since much French industry and banking is already nationalized, this is hardly a revolutionary proposal; but it is bound to provoke strong opposition and reinforce the charge that Mitterrand has become the tool of his allies. Mitterrand himself, however, seems confident that it is the Communist party that would be his captive in a coalition government, because its rank and file would be more likely to support a coalition ministry that could produce concrete economic results than a party line that did not. There is some evidence to support this view; but Mitterrand as President would still represent a major challenge to the established order and might open a crisis that would seriously tempt him to use the vague but extensive powers he has so vigorously condemned.

Long ruled by a center coalition—with a few brief

<sup>\*</sup> Salvador Allende Gossens, the Marxist President of Chile.

exceptions—and then by an authoritarian regime, France may be heading toward a new period of Left-Right confrontation. Whether this can be reduced to the scale of traditional parliamentary give and take is hard to say. But the development of such a situation, as well as the way it will be resolved, will depend on the evaluation of the country's electoral base, which brings us back to the aberrant behavior of the recent polls. Do the polls in fact presage some continuing and potentially significant trend?

French opinion analysts have been understandably impressed by the consistency of voting habits revealed by their soundings and national elections; but the easy conclusion that what has not changed cannot may be misleading. The figures show that individual Frenchmen are remarkably consistent in their political responses; but the polls do not take into account the progression of generations.

At the Liberation, in 1944, half the citizens of France had been marked by World War I as well as World War II. When de Gaulle came to power in 1958, even the youngest voters could remember the Occupation and postwar period; but when he retired in 1969 the babies of France's postwar boom had begun to come of age. Today, somewhere near 10 per cent of the electorate first became aware of politics under the Fifth Republic. Needless to say, the common experience of war, depression, occupation, resistance and reconstruction did not make all Frenchmen identical; but it did fix attitudes and habits of mind. Today's new citizens were born intoand have grown up in—a radically different world, and can therefore be expected to have different reactions to life and politics. That up to this point they have not had any noticeable impact may be due in part to the fact that there have been no "normal" elections since 1967.

Some notice of an impending change has already been served, however. In the aftermath of the presidential election of 1965, pollsters tried to establish the sources of de Gaulle's support. They discovered, as the Gaullists had claimed, that he drew votes from all categories of age, education, wealth or normal political allegiance (including a sizable sprinkling of Communists). The overall pattern that emerged, however, was that the percentage of support for the General went up with age and down with education, and in every category there were twice as many women as men among his supporters. De Gaulle's strength rested in the old France-the France of Vichy and Pétain: the peasants, the shopkeepers and the small capitalists—that was very gradually but very surely dying. While it would be inaccurate to say there were no young Gaullists, it would be a mistake to overestimate their numbers or significance. They certainly were not noticeable during the "events" of May, 1968. Which raises the question of

why the student revolt and the coincidental general strike of that spring, and their implications for the future have not been more carefully weighed in political prognostications.

It is amazing that in five years, memories of this wild outburst that brought the structure of French society to the brink of dissolution and sent Charles de Gaulle scurrying to the army's top field commanders in Germany to ask if the troops were loyal (provoking rumors of an armored column moving on Paris) have all been swept into the dustbin of folklore. The weather was superb; the wit and art of the student graffiti were genial; no one (or almost no one) was seriously hurt; the trees of the boulevards were not cut down; the pavements were easily restored; and the Gaullists won a landslide victory in the general elections called to quell the crisis. But what a spring!

If the seizure of all university properties in France and their transformation into "free communes" by their students now seem quaint, what about the occupation of most industrial plants by their workers? Granted the fact that the essentials of life (food, gas, electricity) were never threatened, nonetheless, transportation was at a crawl; gasoline was in very short supply; even banks were closed. In all this, not merely the state but other agents of authority were defied, including the labor unions, particularly the Communist-controlled CGT, whose quick settlement with the government was rejected by the strikers. Surely someone was trying to get the country's attention for some message.

For all the red and black flags and the Marxist-Leninist-Maoist rhetoric of the student leaders, the content of that message was not violent revolution. When at a mass meeting in Paris, some of the leading political opponents of the regime, including Mitterrand, talked of forming a provisional government, they lost their audience and seriously compromised their careers. No one was prepared for civil war, as the ensuing elections proved. But not even the

(Continued on page 182)

Edward Whiting Fox, in addition to his duties at Cornell, has spent two years at Princeton's Institute for Advanced Studies and two years in France. Prior to that, he was an instructor at Harvard University and in 1945–1946 served as an analyst at the State Department. He is the author of the Oxford Atlas of European History (New York: Oxford University Press, 1957), Development of Western Civilization (Ithaca: Cornell University Press, 1950) and History in Geographic Perspective: The Other France (New York: Norton, 1971), which is about to appear in French as L'Autre France (Flammarion). Mr. Fox studied the 1965 French elections and has returned to France to study the 1973 elections.

"Britain is embarking on an adventure that will have profound effects on herself and on the Commonwealth, and both Britain and the other members of the Commonwealth intend to stay together and work out the problems that arise en bloc. . . ."

## Britain, the Commonwealth and Europe

By RICHARD H. LEACH
Professor of Political Science, Duke University

REAT BRITAIN IS PERHAPS UNIQUE in that for over 200 years she has been associated in some way with other lands and peoples around the entire globe. At first as Empire, then as the British Commonwealth of Nations (after 1931, when the Statute of Westminister was enacted) and more recently, simply as the Commonwealth, Britain and the nations associated with her have formed a remarkable entity. Needless to say, the relationships within that entity undergo constant change. Moreover, there has been attrition-Burma in 1948, Ireland in 1949, Pakistan in 1973. And since the establishment of the Commonwealth Secretariat with a Secretary-General at its head in 1965, the focal point of Commonwealth affairs has largely shifted away from Britain. Even so, the association has shown remarkable vitality and continues to function in a variety of ways meaningful and helpful to all 32 members, including Britain herself.

In recent years, Britain has developed a keen interest in still another set of relationships, with the nations which first joined together in 1958 in the European Economic Community, popularly called the European Common Market. That interest culminated in 1972 when Britain signed the Treaty of Accession. Britain formally entered the Community on January 1, 1973. Inevitably, there has been speculation as to what Britain would do when she joined the Common Market. Would she finally turn her back on the Commonwealth in favor of her new European friends? That question cannot yet be fully answered, of course, indeed, if it ever can. But there is a good deal of evidence to suggest that the final answer will be "no" and that Britain will seek to have her European cake and eat her Commonwealth cake too.

It first ought to be said that Britain's role in the Commonwealth is as unique as the presence of the Commonwealth itself in the family of nations. Britain is after all the founder of the Commonwealth, the mother of the parliamentary system that is the unit

fying characteristic of Commonwealth countries, and the giver of the distinctive language, laws and customs to which most of the Commonwealth countries adhere. All other Commonwealth members were once British dependencies; thus they share a mutual history with Britain that none can escape. The special relationship which binds Britain to the members of the Commonwealth may alter with time, but it is unlikely that it will be shattered. Even Pakistan, which did renounce the Commonwealth, continues to be treated in a special way by Britain. Britain is bound to the Commonwealth in a way no other member is or can ever be, and her public policy reflects recognition of that umbilical relationship.

To be sure, there is no longer a separate and distinct Commonwealth Relations Office in Whitehall, but the old Foreign Office is now the Foreign and Commonwealth Office, the title in itself a recognition of the foregoing point. Nor does the British treasury still bear the lion's share of the costs of the Commonwealth, as it once did. It now shares those costs with all the Commonwealth members. Even so, Britain still invests heavily in the Commonwealth. Close to 80 per cent of the aid Britain extends to developing countries goes to Commonwealth members and their (and Britain's) remaining dependencies. Most of the programs are bilateral, and the money is spent on projects tied to the sale of British goods and services. In a sense, thus, the aid program has taken the place of the funds formerly budgeted for colonial development and welfare, constituting a continuation of Britain's assumption of responsibility toward parts of her former empire.

And by the terms of an annex to the Memorandum of Agreement establishing the Commonwealth Secretariat, Britain pays 30 per cent of the annual Secretariat budget. The nearest contribution is Canada's, currently set at 19.55 per cent of the budget; after that, the percentages drop off rapidly, most of the Commonwealth members contributing either 1.50 per cent or 75 per cent of the Secretariat's budget.

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Contributions to the newly created Commonwealth Fund for Technical Cooperation are separate from and in addition to contributions to the Secretariat. At the outset, Britain's pledge was 30 per cent of the Fund's annual expenditures for the first five years of operation, the same percentage she already picks up each year of the budgets of the Commonwealth Agricultural Bureaus and the Commonwealth Air Transport Council. She also supports the Commonwealth Telecommunications Bureau, the Commonwealth Scientific Committee, the Commonwealth Geological Liaison Office and the Commonwealth Committee on Mineral Processing. In addition, the British government assumes the costs of running the Commonwealth Institutes in London and Edinburgh and meets half the budget each year of the Commonwealth Foundation. Even these do not complete the list; new Commonwealth responsibilities are continually being accepted. Thus in 1972, for example, when the Overseas Development Administration of the Foreign and Commonwealth Office set up a Council for Technical Education and Training for Overseas Countries, the government pledged Britain's aid "in spreading education in management development" in the developing countries of the Commonwealth.1

When it is remembered that Britain is and has for some while been in the throes of economic difficulties herself, and that what she gives up of her national budget for the Commonwealth is voluntary, it is remarkable that Britain continues to support the Commonwealth to the extent she does. Moreover, Britain considers the obligations she has assumed for the Commonwealth to be binding, morally if not legally. She is aware of what her contributions mean to the recipients. The director of the Commonwealth Foundation went out of his way in 1971 to pay a "special tribute . . . to the British Government for its decision to maintain its contribution throughout the second quinquennium" of the Foundation's existence.2 Hardly a Commonwealth activity is carried on without British involvement and support. While in a sense Britain retains an option as to whether or not she will maintain her contributions, her dependence on those contributions makes it almost a hollow choice.

Nor are the expenditures of government funds the

extent of British support of the Commonwealth. Activities of the royal family in behalf of the Commonwealth are considerable. The Declaration of London of 1949 recognizes the monarch as "head of the Commonwealth," and the royal family as a whole is assiduous in working to keep Commonwealth ties strong. Such public corporations as the Commonwealth Development Corporation and the British Broadcasting Corporation make their own contributions to the Commonwealth, as do a large number of voluntary organizations, such as Voluntary Service Overseas, the British Commonwealth Ex-Serviceman's League, the Victoria League of Commonwealth Friendship, and the Royal Commonwealth Society for the Blind. When their efforts, and those of similar organizations, are added to the cost of educating some 50,000 Commonwealth students in Britain a year,3 the dimensions of British support of the Commonwealth are expanded considerably.

Finally, even though they are declining—from 39 per cent of the total of goods imported in 1945 to 22 per cent in 1971—Britain's imports from Commonwealth countries have to be included in any accounting, however brief, of British support of the Commonwealth, as does the amount of private investment which Britain has in Commonwealth countries. That amount is estimated to be well in excess of £3,000 million, about 40 per cent of Britain's total overseas assets, and British investment in Nigeria and Malaysia at least is on the climb. And British invisible services -banking, insurance, shipping and airlines, tourism, brokerage services—are still depended on by a large part of the Commonwealth. The total of all this, if it could be accurately counted, which is very difficult to do, would be impressive indeed.

Britain's commitment to the Commonwealth is more than monetary, however. British representatives are sent to every Commonwealth meeting to which they are invited, and they play an active role there. Indeed, at many of the meetings the other representatives expect the British delegation to lead.

Nor is it only in joint Commonwealth programs that Britain reveals her devotion to the Commonwealth. She is still interested in the individual members thereof, though of course not to exactly the same degree in each case. It would require a great deal more analysis than is possible here to place her relations with each member of the Commonwealth in some kind of rank order. If it were possible, the list would probably reveal a heirarchy of interest, ranging from affection to mere acceptance of responsibility. Right now, Britain's interest is greatest in the developing members of the Commonwealth. It would have been easier for Britain to have let her former colonies go off on their own after independence. Instead, as each nation moved into independence, she helped it adjust and develop.

<sup>1</sup> Press Notice, Overseas Development Administration, May 2, 1972.

<sup>2</sup> The Commonwealth Foundation, The Commonwealth Foundation. The First Five Years 1965-1971 (London: The Commonwealth Foundation, 1971), p. 18.

<sup>&</sup>lt;sup>3</sup> "Britain's schools and universities have educated a whole generation of Third World leaders, from Nigeria's Yakubu Gowan (Sandhurst) to Singapore's Lee [Kuan Yew] (Cambridge), and 50,000 Commonwealth students are now studying in Britain." Time, January 25, 1971, p. 22; The Yearbook of the Commonwealth for 1972 gives the figure as 44.285.

Britain's commitment to the Commonwealth is not merely governmental and organizational. The Commonwealth remains a personal commitment of the British people, despite a relative decline in enthusiasm in recent years. As far as the average Briton is concerned, the Commonwealth probably was most important during the two World Wars, when its contributions to Britain's victory over the Germans was understood by every thinking man; there was also undoubtedly a resurgence of passion for the Commonwealth when Britain made her first overtures to Europe and was rejected. Then the Commonwealth seemed to offer itself as a substitute for Europe. But the 1960's brought disillusion, as members of the Commonwealth seemed to pull away from Britain and indeed became obstreperous at times, and as economic difficulties forced Britain to reconsider her obligations and take tucks in her overseas commitments.

A decline in sentiment for the Commonwealth understandably set in. But it has not gone very far. There is hardly a family of old Britons without a relative somewhere in the Commonwealth, and certainly the ties of the new Britons (from the Caribbean Commonwealth, India, and Pakistan) with their homelands can be expected to remain strong for some time to come. This familial link provides a strong base on which to build, as does the fact that the radio, television and press coverage of the Commonwealth is fairly extensive, so that there is not a great gap in knowledge to separate the British from the rest of the Commonwealth world. Some mention might also be made of the sports ties which link Britain with the Commonwealth. In any case, there does not seem to be much evidence of mass disaffection among Britons for the Commonwealth. The willingness of the British to accept the Commonwealth Asians recently expelled from Uganda is perhaps proof that the ties of Commonwealth still bind.4

But in the last analysis, Britain retains her ties to the Commonwealth—indeed, she cultivates them—because it is in her own self-interest to do so. She derives all kinds of benefits from the Commonwealth association. Even if Britain receives a smaller proportion of her imports now from members of the Commonwealth and sells a smaller proportion of her own goods to Commonwealth members, the percentages are still large enough to be meaningful, and they are no longer falling very rapidly. Besides, the

<sup>5</sup> Quoted by Zelman Cowen, "Has the Commonwealth a Future?" World Review 10:12 (October, 1971).

Commonwealth association still enables British investors and consumers to take advantage of cheaper processes of manufacturing occasionally—Indian cotton mills, New Zealand dairying, for example. And it facilitates shipping in British bottoms, an important economic plus in these days of rising freight costs, for there is still little or no formality in coming in or going out of Commonwealth ports for British ships, as harbor masters reciprocate their services. Legal cases across international boundaries are far easier to handle when they occur in the Commonwealth, since evidence, and so on, is handled under the same rules.

These—and other practical benefits derived—are not so persuasive as other reasons for Britain's continued devotion to the Commonwealth, however. The editors of *The Round Table* hit it on the head when they noted that if worse ever came to worse, and the Commonwealth were to be dissolved, Britain would be the major loser:

If the Commonwealth system ceased to operate at the highest level, [Britain] would lose valuable opportunities to inform herself about the world, and to win understanding and sympathy for her policies. And her own interests in the world order as a whole would suffer from the loss of the facilities provided by Commonwealth Conferences for the development of multilateral relations between . . . herself and the different members of the association.<sup>5</sup>

In international relations, in other words, the Commonwealth provides Britain (as it does all the other members) with a familiar and useful device through which she can relate to many leading nations around the world in an informal and easy way. She can assure herself of avenues of contact with a diverse range of nations. If Cowen stressed only the multilateral value of the association, the bilateral values of each set of relations between Britain and individual members of the Commonwealth also deserve stress. In the Commonwealth, Britain has a valuable tool for overseas contact and negotiation that she is not about to surrender.

Cowen goes on to argue that "the motive power behind the Commonwealth is the desire of Britain, (Continued on page 183)

Richard H. Leach is a member of the Commonwealth Studies Group at Duke University. Among other books, he is the author of Interstate Relations in Australia (Lexington, Ky.: University Press of Kentucky, 1965), Contemporary Canada (Durham: Duke University Press, 1968), American Federalism (New York: W. W. Norton, 1970) and, with A. T. Mason, In Quest of Freedom (Englewood Cliffs: Prentice-Hall, 1959). Material for this article was gathered mostly by interview and research in England in the spring of 1972 under a grant from the American Philosophical Association.

<sup>&</sup>lt;sup>4</sup> It is difficult to get hard data on British attitudes toward the Commonwealth. It is often said that the British press views the Commonwealth with a death wish, which makes it difficult to get a balanced view from that source. Polls are not regularly taken on attitudes toward the Commonwealth, though they often are taken in times of tension and crisis, which tends to skew reactions.

"What has the EEC done for Italy? The answer is that despite the fact that Italy was the country with the highest tariffs in the Community, Italy has benefited much."

## Italy in West Europe

By Pellegrino Nazzaro

Associate Professor of History, Rochester Institute of Technology

TALY'S FIFTH LEGISLATURE ended prematurely in February, 1972. The Parliament, which had been inaugurated in May, 1968, was dissolved 15 months early in the constitutional five-year term, marred by a concatenation of political divisions, ideological controversies, and unstable governments weakened by economic failures.

During the period in question, six governments ruled Italy in an atmosphere of economic deterioration, political confrontation and increasing popular frustration.

The center-left formula—which had been welcomed in the 1960's as the panacea for Italy's endemic malaise—came suddenly to an end.1 The deterioration of the center-left coalition had been signaled by a series of negative events.

The first was the split that lacerated the Socialist forces in July, 1969. The reunification of the two Socialist parties, the Italian Socialist party (PSI) and the Italian Social Democratic party (PSDI), had been achieved in October, 1966. Hence, the new division catapulted the entire Socialist front into another round of factionalism, reciprocal accusations and ideological disputes. The split proved again that the two souls of Italian socialism, the maximalist and the reformist, cannot coexist. While the maximalists advocate closer collaboration with the Communists through the newly coined doctrine of "advanced equilibrium," the reformists still try to apply democratic solutions to the problems besetting the Italian nation, refusing any collaboration with the Communists.

The second event that shattered the center-left coalition was the divorce law, approved by the Parliament in December, 1970. The divorce bill, otherwise known as the Baslini-Fortuna proposal, found the Christian Democratic party isolated from its coalition partners. In spite of the opposition of the Christian Democrats, the Monarchists and the Neo-Fascists, the bill was approved, 325 to 283. Socialists, Social Democrats, Liberals, Republicans and Proletarian Socialists formed a united front with the Communists, a front which was nicknamed "lay front."

The event stirred a choral protest on the part of Catholics and strong condemnation from the Vatican. Italy's divorce law cannot be viewed as a matter of the national or constitutional prerogatives of the Italian state, as many have tried to see it. It is not an issue of a strictly domestic nature. Rather, it is a matter regulated by an international agreement, the Lateran Treaty of February 11, 1929, incorporated into the constitution of the Italian Republic in 1948. Concordat between the church and the state in Italy was a compromise document. The Vatican recognized the Kingdom of Italy, the Savoy dynasty, and Rome as the capital of Italy. The Concordat reserved to the church the right to regulate and discipline the institution of marriage in Italy. Marriage was no longer a civil contract but a sacrament producing civil effects. As such, marriage was declared indissoluble.

According to the Vatican view, the approval of the divorce law by the Italian Parliament is a unilateral revision of article 34 of the Concordat. Due to the nature of the document, the Italian government cannot revise the Concordat unilaterally.2

On February 11, 1970, on the forty-first anniversary of the Lateran Treaty, Pope Paul VI spoke on the issue:

We sincerely hope, for the sake of peace, for Italy's honor, and on behalf of the Italian people, that the unilateral decision will be removed. We refer specifically to Christian marriage that the Concordat has fully encompassed by stable and religious guarantees.3

Very recently, Stefano Cavaliere, a 51-year lawyer from Bari, in Southern Italy, presented a bill to the Italian Parliament asking for the repeal of the divorce law "because it destroys the unity of the family."

<sup>&</sup>lt;sup>1</sup> Domenico Bartoli, "Cosi e' tramontata una speranza di rinnovamento," *Epoca*, February 20, 1972, p. 17.

<sup>2</sup> Ministero Affari Esteri, *Documenti Diplomatici sulla Interpretazione dell'art.34 del Concordato tra l'Italia e la* Santa Sede (Rome, 1970).

<sup>&</sup>lt;sup>3</sup> Epoca, March 1, 1970, p. 28.

Catholic deputy who won reelection to the Chamber of Deputies, Cavaliere is convinced that the outcome of the May, 1972, elections represents a clear repudiation of the divorce law. According to his analysis, there is no longer a majority in Parliament in favor of divorce. The anti-divorcists in the Chamber and Senate outnumber, respectively, the pro-divorcists: 325 to 305, and 163 to 152. But now that the political machinery of the sixth legislature has been set in motion, the President of the Republic and the government alike are trying to prevent the divorce issue from becoming a bone of contention between Catholics and lay-parties. Last September, President Giovanni Leone paid a visit to the Pope. While Paul VI pressed for the application of the Concordat, Leone declared that Italians would not be deprived of their constitutional prerogatives.

So far, most parties apparently agree on a new version of the divorce law. They seem willing to limit divorce to civil marriages, leaving Catholics to the jurisdiction of the Church. This would give about five per cent of Italian couples the right to divorce.

The third event that contributed to demolishing the center-left coalition was the election of the President of the Republic. According to Italy's constitution, there are no candidates in a technical sense. Article 85 declares that "any citizen of no less than fifty years of age and in possession of full political and civil rights can be elected to the Presidency of the Republic."

However, since the inception of the Republic, candidates for the presidency have been selected by the parties and rigidly restricted to political figures within the Parliament. This practice has made the election of the President of the Republic a matter of political compromise and complex intrigue. While the election of the first four Presidents required an average of five ballots, the election of the fifth President, Giuseppe Saragat, needed twenty-one ballots in twelve days. The election of Giovanni Leone, the sixth President, required twenty-three ballots and sixteen days of ritual negotiations and behind-the-scenes compromises.

The controversy about the election of Giovanni Leone emerged clearly as an ideological conflict between the Christian Democratic party and the Italian Socialist party. On the eve of the election, almost all political parties had presented candidates of their own. The Christian Democrats had chosen Amintore The Social Democrats supported the reelection of Giuseppe Saragat. Giovanni Malagodi was the candidate of the Liberals. The Neo-Fascists had chosen Augusto De Marsanich.

However, the candidate of the Italian Socialist party, Francesco De Martino, had the support of the

Communists, who had avoided presenting their candidate. To make things worse, the Communists declared that they advocated "a uniform agreement among all the left-wing groups." In political terms, this meant that De Martino ought to be viewed as the choice of the leftist forces. Needless to say, in such an atmosphere, De Martino could not capitalize on the support of the Christian Democrats, the Republicans, and the Social Democrats. These parties had pledged their full support to a candidate "who would openly reject the votes of the extreme right [Neo-Fascists] and of the extreme left [Communists]."

On the other hand, throughout the eleventh ballot, Fanfani did not go beyond 393 votes, 112 votes short of the 505 required for the election. To overcome the deadlock, the Christian Democrats replaced Fanfani with Giovanni Leone. The Socialists declared that they would never support Leone. In their opinion, he was a center-right candidate. However, on December 24, 1971, Giovanni Leone was elected sixth President of the Italian Republic. The short-range effect of his election was the disintegration of the center-left coalition. The long-range effect might be a revival of the "united front" between Socialists and Communists along the line and the program of the 1940's.4

#### THE MAY 1972 ELECTIONS

The May, 1972, elections gave Italy's democratic system only a reprieve. The Christian Democratic party won 267 seats in the Chamber of Deputies and 136 in the Senate. Overall, it won two seats more than before. The Communist party improved its previous strength of two seats in the Chamber, moving to 179. However, the Proletarian Socialists (PSIUP), closely linked to the Communists, were eliminated. So the overall strength of the left-Marxist forces was reduced by 21 seats in the Chamber and 7 in the Senate. The Socialist party (PSI) retained 61 seats in the Chamber against 62 held before, and 33 in the Senate against 36. The Social Democrats (PSDI) held their 29 seats in the Chamber, winning one more, 11 in all, in the Senate.

Exploiting a law-and-order issue, the Neo-Fascists of the Italian Social Movement (MSI) more than doubled their forces in both Chamber and Senate, passing respectively from 30 to 56 and from 13 to 26. Their gains, however, were more modest than anticipated. Hence, they failed to win enough seats to have any chance of blackmailing the government. Indeed, they can represent only a strong and vociferous opposition in the new Parliament.

The keynote of the campaign was the exacerbation of the differences between the Christian Democrats and the Socialists. The Socialists campaigned on the <sup>4</sup> For a detailed analysis of the presidential election, see Remo Giannelli, "Diario Presidenziale," *Politica*, January 2, 1972, pp. 5–15; Angelo Macchi, "Dopo l'elezione del Capo dello Stato," *Aggiornamenti Sociali*, January, 1972, pp. 1972, In an interview for the weekly *Panorama*, on March 9, 1972, Francesco De Martino, president of the PSI, explained the implications of the doctrine of "advanced equilibrium." He advocated a DC-PSI government with the external support of the Communists. On March 11, Giorgio Amendola and Enrico Berlinguer echoed De Martino's bid, saying that the Communists represented a mature political party.6

In spite of the fact the Communists tried to influence Italy's public opinion, they were inconsistent in their persistent admission of their continued affiliation with the Soviet Union. On April 21, Berlinguer affirmed that the doctrine of "advanced equilibrium" by no means implied the repudiation of Russia.<sup>7</sup>

#### CHRISTIAN DEMOCRATIC REACTION

The reaction of the Christian Democrats to Socialist and Communist calls for a further swing of the political axis to the left was immediate and uncompromising. Arnaldo Forlani, the Secretary-General of the party, affirmed:

We will repeat our "no" to communism now and ever. There is a deep division between the Communists and us. This division stems from different ideological postulates on the role of the state, the nature of social institutions and the issues of freedom and democracy.8

Besides this strong anti-Communist stand, the Christian Democrats presented themselves as the only force in the country capable of restoring order through the democratic process. From 1969 to 1971, Italy was swept by a massive campaign of terrorism by far left and rightist groups. The violence of the far left and Maoist groups was sponsored by Potere Operaio (Workers' Power) and Brigate Rosse (Red Brigades), two organizations believed to be financed by the late Giangiacomo Feltrinelli, a multimillionaire publisher and close friend of Fidel Castro. The rightist groups, self-named Mussolini's Action Squads (SAM), were directed by Ordine Nuovo (New Order), Avanguardia Nazionale (National Vanguard) and Il Fronte di Valerio Borghese (Valerio Borghese's Front). According to their program, the SAM represented "the spirit of fidelity to the idea of Fascism."9

Analyzing the violence and terrorism, the historian Renzo De Felice has made the following comparison:

Contrary to the Squadrismo of the 1920's that originated

<sup>5</sup> Panorama, March 9, 1972; G. Arfe', "Il Congresso Comunista: un dialogo da continuare," Mondo Operaio, March, 1972.

<sup>10</sup> Panorama, March 2, 1972. <sup>11</sup> A. Macchi, "Il secondo governo Andreotti," Aggiornamenti Sociali, September-October, 1972, pp. 553-58. in rural areas with the support of landowners and pettybourgeois capitalists, today's violence has its center in the cities, where middle class businessmen and industrialists support guerrilla groups and foment their activity.<sup>10</sup>

However, the 1972 elections proved that the call for violence strengthened the central political core the extremists wished to destroy, and that demagogues from the right and the left are not loved by the Italian people. Furthermore, they proved that Italy's democratic system, although not yet invincible, is stronger than it was in 1922 and is capable of preventing a new totalitarian adventure.

Politically, the May elections were a success for the Christian Democratic party. Its program of "democratic centrism," in case of the unavailability of the Socialists, called for a centrist coalition with the participation of the Liberals. However, the results of the elections proved unmistakably that no centrist coalition with the Liberals can compare with any center-left coalition with the Socialists on numerical grounds. In fact, while a center-left coalition would be assured of 372 votes out of 630, a centrist government can rely on only 329 votes.

Whatever might be the future coalitions, the elections have stretched Italy's democratic frontiers from the Liberals to the Socialists. The Liberals are regarded as the democratic frontier on the right; the Socialists on the left.<sup>11</sup>

#### **ECONOMIC IMPASSE**

The economic boom of the 1960's, otherwise known as the "Italian miracle," was a consequence of many circumstances. Among the most peculiar factors was the entrepreneural energy of the Italians. They wanted a better life and improved socio-economic conditions, and they wanted this all at once.

Nobody in Italy will forget the catastrophic "hot autumn" of 1969. Twelve million workers struck. Over 400 million man-hours were lost. As a result, the economy plunged into a stagnation from which it has not yet recovered. The 12 million workers who went on strike represented almost 65 per cent of the 19,391,000 in Italy's labor force.

Since 1969, the workers, through their unions, have constantly demanded their share of Italy's prosperity:

They have demanded constant salary increments. In the period 1969-71, salaries increased over 20 per cent.

They have sought further reduction of weekly labor

They have demanded better services and more adequate assistance on the job, with higher fringe benefits.

They have requested a tax reduction and the abolition of indirect taxes on some basic products.

They have asked the government for larger and new investments in the South, where only 5,000 new jobs had been created in the industry from 1969 to 1971.

They want the government to prevent emigration. Italy is the biggest contributor to intra-EEC labor, with

<sup>&</sup>lt;sup>6</sup> L'Unita', March 11, 1972; G. Amendola, "Elezioni politiche e crisi economica," Politica ed Economia, January-April, 1972.

<sup>7</sup> L'Umanita', April 22, 1972.

<sup>&</sup>lt;sup>8</sup> La Stampa, April 11, 1972. <sup>9</sup> Tempo, December 19, 1971. <sup>10</sup> Panarama, March 2, 1972.

over 200,000 workers leaving the country for other EEC countries in the 1969-1971 period.

In Southern Italy, workers have advocated a substantial increase in income per capita, which in 1971 was still 66 per cent of the national median.

Workers have asked for better social and political assistance "to diminish the exploitation of the capitalist front."

Unions have asked the government to rescue factories and firms on the verge of bankruptcy to preserve workers' jobs. According to the Institute of Industrial Management and Participation (GEPI), more than \$200 million had been committed in financing 250 small and mediumsize companies that were going broke.

Unions have asked for rigid application of the sickness regulations. According to the new statute, factory doctors cannot visit or verify workers' illness. As a result, strikes and absenteeism increased.12

The effect of these demands has been a war of attrition between unions and employers. Much more important have been the effects on private and industrial investments, which have declined steadily. industrialists started transferring huge amounts of funds abroad. The flow is still continuing. In 1972, over 4-billion worth of lire, 15 per cent of domestic savings, were transferred abroad.

Although the "hot autumn" knocked off almost one per cent of Italy's national growth in 1969, nevertheless, Donat Cattin, Minister of Labor, predicted that 1970 would be a favorable year for the Italian economy. His forecasters announced that industrial production would go up 11 to 12 per cent and employment would expand 4.1 per cent.

In the initial period of 1970, there was a rapid recovery but, by March, prices had risen more than 6 per cent and the balance of payments registered a deficit of 1,102 million lire. In July, 1970, Ugo La Malfa, Secretary-General of the Republican party, called to the attention of Prime Minister Mariano Rumor the fact that production in many private and state-controlled industries was down 8 to 14 per cent in comparison with 1969. This cry was echoed by Finance Minister Luigi Preti, who warned that the Italian economy had "slowed significantly" in 1970.

The economic recession and the general political situation forced the Rumor government to resign on July 6, 1970. The Emilio Colombo government, another center-left coalition, was sworn in on August 6, 1970.

On August 27, the Council of Ministers approved emergency legislative measures to strengthen Italy's faltering economy. The legislation dealt with three categories of provisions: proposals of a fiscal nature,

12 "Report On The General Economic Situation In Italy," Italy—Documents and Notes, July-October, 1970, pp. 297-

1312.

13 "Proposals For Strengthening Italian Economy," Italy—
Documents and Notes, January-February, 1971, pp. 3-14.

14 "The 1971-75 Economic Plan," Italy—Documents and Notes, May-June, 1972, pp. 237-42.

15 Successo, October, 1971, p. 34.

ELECTRONIC RE

and economic problems, the rate of inflation has been the lowest in Europe: 4.7 per cent. According to the statistics of June, 1972, the rate in most West European countries was much higher: in the Netherlands, 8 per cent; in Switzerland, 6.3 per cent; in Britain, 6.2 per cent; in France, 5.4 per cent; in West Ger-

reorganization of public health agencies, and measures aimed at increasing production. This package was supposed to cut consumption in a full fiscal year by 600 billion lire. The aim was to cut back imports and shift resources to investments. The ultimate goal of this fiscal program was to allow the economy to surge forward on its normal growth path in the course of 1971.13

A few months after the inception of the Colombo center-left government, the Minister of the Budget and Economic Planning, Antonio Giolitti, drafted the 1971-1975 Economic Plan."14 After a careful examination, the National Council of Economy and Labor expressed its fullest approval. However, it should be noted that the plan rested on "hypothetical estimates" and "possibilities of economic development" of Italy's economy. According to the plan, Italy's annual economic growth for the period 1972-1975 ought to average 5.7 per cent. Income ought to rise 4.8 per cent.

The plan never worked according to the projection. The failures of the economic system became more and more evident. The inability of the Colombo government to achieve immediate economic recovery was largely responsible for its demise early in 1972. In fact, 1971 was the worst year for the Italian economy since the postwar period. What caused this situation? Colombo's supporters maintain that the key factors were continued labor unrest and strikes. According to Giulio Andreotti, presently Italy's Premier, the Colombo center-left coalition failed to boost employment. On the contrary, 114,000 jobs were lost. However, it escaped the attention of Andreotti that the unemployment increase must be regarded as the result, not the cause, of Italy's economic slump.

More realistic and accurate is the analysis made by Nicola Resta, chairman of the Central Council of Small Industries:

If Italy's small and medium companies right now are feeling the brunt of the uncertainties of the international situation, the main reason is that they are paying the price of lack of a consistent economic and union policy which would consolidate the country's productive structure and raise competitiveness. . . . Unfortunately, we are now feeling the full effects of the delay in taking essential steps to aid exports (financing and insuring credit, speedy reimbursement, concessions to exporters' associations) and the lamentable delay and red tape of the bureaucratic structure of the nation,15

Even though Italy is still beset by internal political

#### THE OUTLOOK FOR THE FUTURE

LICENSE many, 5,1 per cent. **ELECTRONIC REPRODUCTION PROHIBITED** 

In the opinion of Italian financial experts, in reconciling competing demands in the modern world inflation is unavoidable. "Everyone wants a greater share than he is capable of producing. Everyone wants more. . . . In general, everyone wants a bigger share than he contributes." Furthermore, strikes, absenteeism and governmental instability have been mostly responsible for the downtrend of Italy's economy. If Italians took working seriously, as they could, Italy would become a nation with a solid economic system. According to economic experts, Italy needs now a net growth of 6 to 7 per cent to keep up with the nation's increasing needs.

But why did Italians invest less? Economy in Italy is closely related to the political barometer. Every time a governmental crisis clouds the political horizon, the economy becomes sluggish. For instance, 1970 and 1971 were years of political turmoil. The economy was stagnant. In early 1972, when the government of Giulio Andreotti seemed to give certain guarantees: of continuity, the net growth was 2.5 per cent. However, the effects of the world-wide inflation offset symptoms of recovery. Unemployment seems to have maintained the levels of 1971. Still, 1,175,000 persons are without jobs.

In the wake of this precarious overall situation, it has been rumored that the Italian government is considering the possibility of devaluating the lira. cheaper lira would help make export industries profitable and would boost the economy.

Technically, the Italian currency is solid enough. Italy's reserves amount to over 3,760 billion lire, of which 1,800 billion are in gold and 1,600 billion are in dollars. The international trade surplus is expected to pass the 600-billion-lire mark in 1973. Moreover, the balance of payments is favorable, due to tourist revenues and remittances from abroad.

The basic problem is that in 25 years of democratic government, Italy's great economic gains have not been accompanied by substantial progress in other sectors. Even though the Parliament approved the bill on housing and tax reform in 1971, in 1972 only 80,000 of the 350,000 projected new houses had been completed. In the weekly magazine L'Organizzazione Industriale, Enrico Fiorini denounced the default. Thousands of companies are still waiting for governmental approval for new construction. It is unaccountable that the Italian government continues to "freeze" almost 3,000 billion lire allocated for construction work.<sup>16</sup> The argument about housing is extremely important in the sense that the construction industry affects about 26 other industrial sectors.

According to financial and business experts, the Italian economic system needs to be regarded as a "business cycle." Along with economic problems, there appears to be a pressing demand for improvement in Italy's way of life. Indeed, Italy needs a functioning political and administrative system. However, to improve labor relations, a program of public works needs to be initiated. The president of the Industrial Confederation (Confindustria), Renato Lombardi, has traced the blueprint of Italy's recovery:

If, instead of so much talking, we really began to construct houses for those who truly need them; if, in the field of education, we began to build new schools; if, in the field of public health, it could be demonstrated that there is desire to solve the fundamental problem of adequate and efficient assistance; if, in labor relations, it could be demonstrated that there were a desire to consolidate what has been achieved in the past, at least some of the problems which poison the nation could be solved in a joint effort.17

Italy possesses material and human resources sufficient to guarantee a speedy economic recovery. To achieve it, Italy must return to principles of political stability and democratic certainty.

#### WEST EUROPE AND ITALY

With regard to the European Economic Community (EEC), the panoramic view has seen Italy working toward the goal of a political and economic union. Moreover, Italy has always supported the doctrine of enlarging the area of the Community through the admission of new member nations.

In January, 1973, the Community admitted Great Britain, Denmark and Ireland, creating a nine-nation organization of almost 260 million people with an annual gross national product of 600 billion dollars. This expansion has created new political and economic problems.

With regard to its political aspects, the Davignon Report, prepared by the six foreign ministers in December, 1969, laid down the foundation for European political unity. The document proposed that the foreign ministers or heads of state should meet twice a year to examine the most important European and Italy has constantly supinternational problems. ported the transformation of the Community into a European Union. According to Italian experts, a European government, as a political entity, can develop only out of the gathering of national governments "joined together to make decisions on European and world problems."18

Indeed, the European summit meeting of October, 1972, adopted the call for a European Union by 1980. That summit meeting had been welcomed by the Italian government as the end of the transitional period which began in March, 1957, with the European Economic Community (EEC) and the European

<sup>&</sup>lt;sup>16</sup> Epoca, March 19, 1972, p. 23. <sup>17</sup> Successo, October, 1971, pp. 41-51. The quotation is

Atomic Energy Community (EURATOM) because of the need for economic cooperation necessary for European recovery from the destructions of war. The summit meeting of 1972 has opened the gates to European integration.

As the European Community forges ahead, the nations of West Europe will prove that they are capable of developing a single common consciousness. According to Prime Minister Andreotti, the achievement of a European Union will offer the people of Europe, and particularly the younger generation, the chance to build a prosperous future based upon peace and the balance of power. This challenging program, if realized, would make Europe European, and relations with the United States and Russia would evolve toward independence. The new Europe would not only prevent the resurgence of rivalries among European countries, but would fortify democracy through economic development and integration.

The year 1970 marked a decisive phase in the economic development of the Community. The EEC Council decided to replace the system of financial contributions by each member nation with a "community resource system," to transform the Community into an economic and monetary union. This program would help finance better European standards of living in the needy areas of the Community. A program of such dimensions will require a modern regional and industrial policy, along with deep reforms in the field of agriculture. Needless to say, these measures would be beneficial to Italy, especially to the underdeveloped regions of the south.

What has the EEC done for Italy? The answer is that despite the fact that Italy was the country with the highest tariffs in the Community, Italy has benefited much. Since the inception of the Community, Italy has become one of the leading exporters to other member countries. In fact, the heaviest increase in exports in 1971 was due to the EEC countries, which absorbed 44.6 per cent of Italian exports. The export of food products registered an increase of 18.9 per cent. Mechanical industry's exports rose by 29 per cent. Oil and coal by-products increased 21.9 per cent. Textiles rose 17.7 per cent and rubber products, 30.3 per cent. The classic example is provided by Fiat. In 1971, about 50 per cent of Fiat's total output was exported to Europe. Its share of the European market, over 20 per cent, is nearly twice that of Volkswagen.19

In October, 1972, the finance ministers of the Community adopted anti-inflationary measures. They decided to hold price increases in 1973 to 4 per cent. Government spending should not pass the GNP.

Moreover, each nation of the Community should take opportune measures to stem inflation.

These and many more substantial achievements have given new impetus to the revival of the spirit of unity of the Community. In this spirit, Italy's government has expressed its support for a new round of strategic arms limitation talks in Geneva and for the launching of preparatory talks in Helsinki for a European security conference. According to Italian officials, the meeting—in which all the nations of the continent would participate with the United States and Canada—would represent a turning point in the history of European collaboration. Indeed, it would initiate an era of "open trust and productive cooperation based on an inviolable code of behavior which protects the indivisibility and independence of all nations."<sup>20</sup>

In line with these premises the Italian government regarded the Berlin agreement that brought the new course of normalization between East and West as the greatest triumph of Willy Brandt's Ostpolitik. In launching his bridge to the East, Brandt swept away the cluster of shibboleths that had obscured the German problem.

The Italian government could not ignore such a statement. Premier Giulio Andreotti visited the Soviet Union in October, 1972. According to Andreotti, the visit represented the epilogue to "contacts and talks which had been going on for a number of years." He added that Italy could not postpone the visit because the recent agreements between the United States and the Soviet Union could limit Italy's economy and that of other European countries: "We want to prevent this from happening and we should seek also to integrate ourselves in those agreements."21 Andreotti's visit appears to have had two objectives. On the one hand, he wanted to convey to the Soviets the message that Italy is interested in continuing friendly relations, and, on the other hand, that Italy and other European countries are eager to expand their role in the areas of international security and economic cooperation. All this means that European countries welcome a Soviet-American rapprochment at all levels, but not at the expense of West Europe. The future development of this rapprochement remains to be seen.

Pellegrino Nazzaro is a specialist in Italian political and economic affairs. As a member of Italy's Christian Democratic party, he worked at local and provincial levels in the Bureau of Propaganda and Studies (SPES) from 1950 to 1961. He taught in Italian state colleges for seven years before accepting a teaching position in the United States. He has published several articles in Italian and American scholarly journals, and is now working on a book, Fascism and Anti-

<sup>&</sup>lt;sup>19</sup> Italy—Documents and Notes, July-August, 1972, p. 300.

<sup>20</sup> Successo, October, 1971, p. 26.
21 Ansa-Weekly Review, October 12, 1972, p. 3-ONIC REPRESSISM IN America, 1922–1945.

"... as Belgium turns inward to her nagging domestic affairs, The Netherlands insists that Europe needs a relaunching, a basic overhauling, for the gigantic ventures ahead. Belgium represents the enduring divisions and conflicts of the old continent and its states; The Netherlands mirrors the quest for more integrated economic and political power for the Community through structural reform and achievement."

## The Benelux States and the New Community

BY PIERRE-HENRI LAURENT
Associate Professor of History, Tufts University

UCKED AWAY IN THE WEST central part of the still jigsaw European map are three small nations, Belgium, The Netherlands and Luxembourg. Either as separate sovereign states, or as the initial continental economic grouping of this century, or as part of the European Economic Community, they have exercised an influence far beyond their own tiny area, population and economic and political power. Nothing can alter the fact that these ministates are too small and insignificant to have any weight in international affairs as independent states. Yet it cannot be denied that by pooling their resources and efforts into a customs union (Benelux) and, more significantly, by participating in and from within a large protecting and sustaining organization like the Community, the trio of countries has played a noteworthy, even essential role in the postwar development of both European and Atlantic affairs.

The last few years may mark, however, the beginning of a telling transition from this influential and relatively united position to one characterized by an incapacity to act in concert or to sway results in a particular direction. These is evidence that the two basically dissimilar societies of Benelux are evolving in different directions, at least philosophically and politically. Furthermore, the momentum of intergovernmental collaboration has been slowed in the Benelux union itself. Finally, divergent views on some major problem areas in the Community of Nine have surfaced between the Dutch and Belgians. What follows then is not an attempt to elaborate on the total disintegration and the end of Belgo-Dutch-Luxembourgeois unity, common goals or points of view, but a three-tiered exploration of discordant factors within

and among these states and their neighbors in certain contemporary areas that have assumed particular importance. The essence of the argument will be, first, that the severe Belgian obsession with her domestic language enigma persists and results in a chronic governmental weakness and inability to act as one part of the EEC "power plant" with Holland, as she has in the past. Second, the Benelux organization has not just failed to continue its coordination and control of Lowlands' economic activities, but has rendered itself quasi-obsolete by propelling its problems up one level to the Common Market level. Third and last, changing perspectives and priorities of the Belgians and Dutch in the EEC make their continued near unanimity or frequent alignment and its broad implications unlikely in the future development of that regional organization.

If one accepts the basic idea that the policies of Benelux countries are firmly rooted in the domestic realities of the three states, then recent developments in the internal politics of Belgium and the evolutionary nature of Dutch society appear to be relevant to European affairs. No one would reject the premise that factors bind the two closely; yet increasingly the factors that divide appear much greater than those that unite. Although the two nations are centralized, multi-party, constitutional monarchies, heavily dependent on foreign trade, highly industrialized, densely populated, neighboring states that share much common history and some common rule, the fabric of the two societies differs quite radically.<sup>1</sup>

Dutch society is harmonious, homogeneous, consensus-achieving, and oriented toward government by parties. In contrast, Belgium has painful and unyielding socio-cultural, linguistic and economic tensions and is marked politically by strong Cabinet coalition governments and weak parties. Even more fundamental

ELECTRONIC REPRODUCTION PROHIBITED

<sup>&</sup>lt;sup>1</sup> Gordon Weil, The Benelux Nations: The Politics of Small-Country Democracies (New York: Holt, Rinehart and Winston, 1970).

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traits create stresses. In the struggle between traditionalism and modernism, Belgium has remained outwardly a model of classical liberalism, focusing on the rights of the individual. The competing sociopolitical doctrine, which emphasizes national needs and collective goals, has not been very victorious in gaining adherents except in times of national emergency. The Dutch, conversely, see the nation as a whole, and believe that the sacrifice of any absolute individual rights for society as a whole is necessary for internal stability and progress. Consequently, any synopsis of Dutch life and thought illuminates an accommodation-consensus society with the general absence of major disputes. The Netherlands functions as an emergent "participatory" democracy where elitism diminishes daily in the face of successful compulsory voting, party pressures for political involvement and the societal axiom of politics as everyone's avocation.2

To the south, cleavages and fissures almost hopelessly divide the bicultural Belgian nation; the dominant aspect is the never-ceasing, tribal-like clash associated with the language problem. It is impossible to review here the entire historical basis of the linguistic divisions between French-speaking Walloons and Dutch-speaking Flemings, but it must be considered in the current, more aggravated conditions of disarray it has produced in the late 1960's and early 1970's.

Economic, technological, social and demographic change has caused a severe, rapid transformation of Belgium's political culture. The Pierre Harmel and Paul Vanden Boeynant Cabinets along with two Gaston Eyskens governments have collapsed under the weight of the mutual distrust and antagonisms of the language war in the last decade. The political situation has worsened lately, gloom has increased, and dialogue is practically impossible, with most elections or referenda linking closely this linguistic dilemma and the survival or revision of the basic unitary state.3

#### **BELGIAN DUALITY**

The mounting fury and bitterness behind the Belgian duality has grown in the era since the Second World War because of several elementary changes which have directly exacerbated Flemish-Walloon feelings. The growing economic and financial power of the Flemish of the north, their greater use of modern

<sup>2</sup> Arend Lijphart, The Politics of Accommodation: Pluralism and Democracy in The Netherlands (Berkeley: Univer-

guage Conflict," Comparative Political Studies, V, 1 (April,

technology, their increased cultural pride and social expectations, when combined with their majority status in the population (which is 51.5 per cent Flemish, 34 per cent Walloon [in Wallonia] and nearly 15 per per cent bilingual [Belgians living in Brussels]) produce a new mosaic of political reality. The economic decline of the south, based on inefficient coal mines and textiles, expensive steel, new non-classical energy forms and wholesale worldwide competition in coal and steel, was at the very heart of the political battles of the postwar period.

But the unique structure of government and parties in Belgium was also a cardinal contributor to the present situation. Government in Belgium is not an umpire but a participant in the political process. Parties reflect the many regional or cultural differences instead of the ideological or philosophical ones; they seldom try to influence the two language communities. Therefore, they are parties of order and not movement, and they become tools of government. The parties (at least the traditional ones) do not stress the areas of dispute but conceal antithetical positions. coalitions in control often cushion the shock of these sensitive issues, seldom trying to overcome them. The outcome is a lack of accommodation, a rigidly individualistic populace and a shaky political entity.

If, in The Netherlands, the central government dominates the provincial and local entities, and the powers and privileges of the sub-units continue to decrease, then Belgium, with her historically powerful commune and the tendency to battle over the linguistic question on that level, symbolizes an opposite direction en-The major Belgian parties, the Christian-Social (PSC), Socialist (PSB) and Liberals (PLP), want the volatile language war, its causes and any solutions to be downgraded, by-passed or "frozen," as ex-Premier Harmel put it, for "the greater issues." The newer parties of language-interested groups do not play down language or the bifurcated society. Whether it is the Flemish Volksunie or the Walloon Rassemblement or the Brussels-based Front des Francophones, new-style politics involves influential minority elements who not only want to face the linguistic split head on, but who also seek reform of the Belgian state either in a federal state with economic decentralization or in a looser amalgamation of confederal provinces. The forces of regionalism are inexorably interlaced in the Belgian predicament.4

Between 1967 and 1971, the Belgian legislature adopted far-reaching constitutional reform which created four linguistic and cultural regions. There remain few difficulties with the first three (the French, Flemish and German-speaking), but the fourth—bilingual Brussels-remains beyond the scope of these This reopened wound was clearly visible in the contestation of 1968 with its conflicts on the frag-

mentation, relocation and funding of the Louvain and <sup>4</sup> Le Soir, November 24, 1972, January 12 and 15, 1973 SED

sity of California Press, 1968).

3 Val Lorwin, "Segmented Pluralism: Ideological Cleavages and Political Cohesion in Smaller European Democracies," Comparative Politics, III, 1 (January, 1971), 141–174; James Dunn, "Consociational Democracy and Lan-

Brussels universities, which finally culminated in the falls of two Eyskens ministries in late 1971 and 1972. Many observers assume, therefore, that linguistic apartheid will continue to be dominant in the 1970's, because this almost unalterable fact of Belgian existence defies most ingenious measures. Now, it appears that the recurrent divisiveness has pushed into the foreground the entire question of political or constitutional reorganization. Diverse sentiments for more cultural autonomy, educational opportunity, economic growth and social welfare will interject themselves into Belgium's central quarrel, and as a state Belgium may not be able to cope much longer without an altered political form or process.

As the language war gets hotter, politicians and ministers find it harder to maintain national unity. A sense of confusion and helplessness, a lack of confidence, and an absence of political will or way envelop many Belgians and lead them in increasing numbers to favor the linguistic parties who ultimately represent the real passions of the people. This alienation and feeling of political despair, say some close students of the Belgian scene, might result in the break-up of the traditional party structure and a more workable two-party (left and right) reorganization. What is more plausible is further segmentation of political support, augmented tribalism, patchwork-mixed ministries and, finally, Belgian introversion and subsequent passivity as a member of the enlarged Community.

Preoccupation with the politics of language inevitably intrudes for the Belgians into their relations with the Dutch. Domestic politics and foreign policies have become more and more dependent on one another in the Lowlands. In times of high tension, such as the last half decade, the Benelux customs union becomes the object of much Walloon anxiety. The perception of the economic arrangements as a Dutch-Flemish-oriented mechanism in which the Walloons are second-class citizens expands almost daily. The trial marriage of the Lowlands states within the nonsupranational union has brought about some specific reasons to fear such a one-sided bias, yet the Walloons, who were first to benefit from the accords on the free movement of steel, coal and cement, now shy away from contributing to any creative movements; instead they aid economic action through the EEC. Common Market, which is both a competitor and catalyst for Benelux, finally resolved the mammoth agricultural crisis which confounded the smaller union. To many Lowlanders who look forward, this constitutes one proof that only the larger quasi-supranational bloc of Nine can function with any degree of success in many cases where its procedures, political pressures or constitutions are mandatory.

Certainly, the many achievements of Benelux should be enumerated. The commercial combination, fourth in the world in foreign trade behind the United States, the German Federal Republic and the United Kingdom, has negotiated treaties and established new commercial policies with over 30 nations since 1958, including nations in East Europe and the Third World. In 1968, a momentous transport agreement between the highly competitive Dutch and Belgian maritime and truck-hauling enterprises (which included the Bonn government) signified probably the most important break-through of Benelux. Progress in standardizing and harmonizing health and safety regulations in industry and agriculture has also taken place.

But even the slow, sometimes tortuous progress in transport, cultural cooperation and farm agreements seems to have been checked in recent years. The reasons are clear: the grouping worked while the Common Market bogged down in the early and mid-1960's under French intransigence, but with the signal for expansion of the Six given at The Hague conference of 1969 and the goal of external trade affairs and institution development pronounced by the 1972 summit meeting in Paris, movement in Benelux has ground to a near halt. Lassitude or indifference toward that organization is, however, only partially due to its own deficiences and the growing potential of the EEC, but is also to be attributed to negative spillover from the language confrontation.

#### SUPPORT FOR THE EEC

As solid proponents of economic groupings which aim at intergovernmental or trans-national cooperation, the Lowlanders have eagerly backed moves for the voluntary pooling of power in the administration and decision-making processes related to their national economies. The governments of Belgium, The Netherlands and Luxembourg were in the forefront of the creation and initial evolution of the European Economic Community. Their early willingness to shed such political inhibitions as national sovereignty was a reaction to postwar bipolarity and diminished small states' power; actual membership in the Brussels pact was always viewed as a prerequisite to greater economic prosperity and independence and therefore international position and influence. Although some Belgians took to the Market seeing it as a protector against Flemish or Walloon elements, most of the interest of the 22 million Beneluxers was based on a rational decision to substitute European cooperation and unity for the limited achievement capability of nationalism or regionalism.

Within the Community (even in the diplomacy of its formation), the first decade saw the three countries assuming the balancer role and becoming the only large lobby for "European" interests.<sup>5</sup> These performances, preventing the domination of the Six by

the French or Germans and supporting centralization of authority in the EEC, called for a close Lowlands entente. In most cases, this was translated into operating jointly to counterbalance Paris by siding with Bonn. Usually, the energetic Dutch took the lead. Now, the situation grows more complex; the steadfast opposition by the three to an obstructionist France is too simplistic a formula for action in the expanded Community. One motivating factor for the Lowlands' backing of the newest big power entry, however, was their belief that the United Kingdom was the most viable means of balancing off the two continental titans in the future. This British counterbalance of the actual domination of France and the potential domination of Germany represents, for the Benelux, greater political stability and, of course, a greater capability to sway the major members of the EEC.

At a time when the balance of power in the new Nine is necessarily in a state of flux, many criteria for judging any particular national goals and contributions to the EEC remain highly critical. For example, the Benelux powers are convinced that the British place their new European commitment ahead of their older "special relationship" with Washington. Any deviation from such a stance in forthcoming United States-EEC talks would cause a major realignment within the Community. In the renegotiation and refurbishing of the common agricultural policy (CAP), the Dutch and Germans who are fed up with the old system will fight tooth and nail with the French, thus making the British posture a paramount one.

Numerous examples of Big Three reactions to strategic questions could be cited to demonstrate the complicated situation the small states face. One possibility, that the Three will constitute themselves as an inner directorate of the Community, has received much notice in the Benelux press. It is viewed as a distinct probability if the major powers decide to leave the onus for action on the member governments and the organs of the nine individual countries. The Dutch, especially, do not want London and/or Bonn to position themselves behind the Paris intention to retain decision-making power in national hands or to back unanimous rather than qualified majority voting procedures. Here, one runs straight into Dutch belief that Europe cannot be built politically and cannot go forward in the economic field without the introduction of federal commitments.

The whole enlargement question has produced a myriad of problems for the Nine as a whole and for the Beneluxers in particular, including the planned decision to deal at one and the same time with expansion-related areas, the October, 1972, summit resolutions to move by stages toward economic and

monetary union, and multilateral international trade and money talks. Since the early 1960's, struggles to enlarge have blurred deep conflicts which will now be bared as the Community proceeds into such questions as monetary reform, institutional development and political union. For the smaller member states, the crucial issue is how common ground can be found or how bargains are struck. It is evident that the Dutch and Belgians now differ on how the Nine should behave in the future. The Dutch are still the strongest proponents of supranationalism or an independent federal Europe with a heavy dosage of democratic institutions. The Belgians display restrained and lukewarm responses to concrete calls for political unification, and stress a partnership in Europe which resists political frameworks of a federal nature. Increasingly, Belgium sees herself in the middle ground of the Nine, hoping to moderate such extremes as broad democratic control of the continental combination through magnified powers for the European Parliament. Intensified calls for integration and community-building will expose such differences. They ought not to be projected out of proportion, but the impact and complications of these divergent Benelux views will be more visible in the light of the agenda of the 1970's announced at the Paris summit meeting.6

Admittedly, the problems of consolidating and extending the European Market involve sharp divisions across the continent. On this side of the Atlantic, there has been entirely too much pro-Market literature which camouflages divisions among the Nine. Equally warped is the still frequently repeated assertion that the Benelux nations articulate and endorse the same economic goals and political designs. Focusing on the Lowlands exclusively is distorting, yet their emergent disagreements (for example, on the strengthening of the political machinery forces) drive many analysts to conclude that Belgium will no longer uphold the federal notions of the Dutch. In the initial phase of unifying Europe, the Dutch see enlargement itself, normally and understandably, as slowing down the rhythm of decision-making. Their consternation is reserved for the longer-range risk of "spillback" rather than "spillover." They are saying that the European entity, to be a going concern and not a facade, must be forged by those nations who seek effective organized cooperation.

To this end, a major Dutch remedy includes the counterweight role of the small democratic states (now up to five, with Ireland and Denmark) which can only be effective if they rally together and adopt joint positions on big issues. To Holland, this means that the overriding task is to reach consensus on the transfer to European authorities of the jurisdictions required to settle major economic and social problems. Today, they declare, Community organs are inade-

Today, they declare, Community organs are inadedamsche Courant, January 2, 1973.

Today, they declare, Community organs are inadedeclare, Community organs are inadedeclare, Community organs are inadedeclare, Community organs are inadedeclare, Community organs are inadedustry, transport, nuclear power, technology and monetary matters. Convinced that redesigning innovative institutions is the most important job, the Dutch have argued for upgrading the Commission and Parliament and in effect downgrading the Council of Ministers. Thus, they strike directly at that intangible but powerful force called nationalism and the concept of national sovereignty. While the Belgians have given every sign that they acknowledge the failure of the Commission's bid for power in 1965-1966, the Dutch still search for means that may make that body more than a secretariat, or the Parliament more than a mere consultative forum. Progress in the EEC, in this line of thinking, will surely result from the bureaucratic interpenetration of national representatives and Community civil servants, yet it is more likely to be achieved by the leadership of Eurocrats and not of statesmen. As proponents of real, augmented power, however, the Dutch, led by the outgoing Commission President Sicco Mansholt, have shifted their emphasis to the Parliament. They advocate giving additional powers to the parliamentary group in the form of increased parliamentary control over budget, parliamentary power of veto over major decisions and Parliament's direct election throughout Europe.7

#### **CONFLICTING VIEWS**

This desire for a new political leap forward to reinforce Community institutions emanates from the idealistic Dutch but receives less and less support from the pragmatic and introverted Belgians. A core consideration should be the basic Belgian interest in economic integration from the EEC whereas the Hollanders emphasize the political advantages of the EEC. Specifically, two examples demonstrate the conflicting Benelux visions. More powers of control by a universally elected Parliament in the 1970's would mean a Socialist majority, for that party will have the largest body in attendance. More Belgians than Dutch would object to this situation since the southerners' political mood is more right-center than the underlying leftist attitudes of the northerners.

Moreover, this type of extensive recasting would involve not just powers and authority but the ability to act promptly, thereby nullifying what is presently a dinosaur reaction time in the Community. Formulae and practices put forward to resolve this issue have been rejected by Brussels on the grounds that they

call for "working parties" which might not include a representative for each of the Nine directly involved at the bargaining table.

Mansholt has said that "the clothing of the Rome treaty is getting too tight for us." For Holland, the malaise that has set in enfeebles the capacity of the Brussels bloc to increase its political influence over member states or to reduce its dependence on the United States. Dutchmen point to a system which has basically eliminated tariff walls but which needs cessions of national sovereignty to make the newly created Nine work. Their contention is that the Community. suffers from arrested development because its central organs do not have enough autonomy from national They remain convinced that institutional arrangements not only aid in defining joint policies, but are the best route to that end. This leads to their conclusion that the splintering in the Community can be minimized not by finding ways of appealing to the members' interests, as Stanley Hoffman indicated, but in creating agencies with true legal power.8

Many critics of the world's richest trading club and second mightiest economic power on earth agree that recent attempts to infuse new life and vigor into the Community have met the political introversion of the major states facing elections—the Germans, Danes, Italians and French in 1972, and the Belgians and French in 1973. These individuals stress not economic diversity and conflict as the sole source of Europe ills, but absorption with internal politics.

The jobs directly ahead in the 1970's suggest that fuller integration is essential and accommodation is vital. If improvement in modes of EEC cooperation in monetary, social and regional problems (including the 1973 trade and monetary talks with the United States and Japan) is indispensable, then the Dutch proclaim the ultimate prerequisite of reform. Only now is it possible, they say, to perceive the disadvantages of the informal EEC proclivity for short- and medium-range goals arrived at via "muddling Crisis management or governance has through."9 been the rule of thumb for the Community, and it appears difficult to nudge any member states away from that attitude. Even the final communiqué of the 1972 summit meeting merely set deadlines and self-imposed timetables rather than giving directives or setting forth concrete action programs. Thus, by mid-1973, the EEC is pledged to evolve reports on fuller political cooperation, common positions for the forthcoming world-wide trade talks in GATT and a common program on environmental control. the pet project of the British, a European Regional Development Fund, and a common scientific and technological policy (to be completed by year's end) will Meanwhile, the Dutch protest that a United Europe of States, at this time, is underen-

<sup>&</sup>lt;sup>7</sup> Bulletin of the European Communities, V, 5 (1972), 7-18; see also Emile Noel, "The Institutional Problems of the Enlarged Community," Government and Opposition, VII, 4 (1972), 413-425.

<sup>8</sup> Stanley Hoffmann, Gullivers Troubles, or the Setting of American Foreign Policy (New York: McGraw-Hill, 1968), p. 533

p. 533.

<sup>9</sup> See Dahrendorf and Kitzinger in Steven Warneke (ed.),

The European Community in the Seventies (New York:

Praeger, 1972).

be added. Meanwhile, the Dutch protest the

United Europe of States, at this time, is under

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The Belgians might aid their neighbors in some institutional alterations, but generally their perspective backs the traditional community method of marathon sessions, setting back clocks, and banging out accords when the national governments approve. Critics like the Dutch fault the member governments for neglect in developing processes and permanent institutions with authority. If this criticism has validity, it will be immediately visible in the impotency of the Community when it labors to work out unified policies for the United States-EEC discussions.

The slowdown, or even paralysis of action, in the Community might develop for other reasons. Internal EEC disputes and differences may impede movement, but the Dutch feel they understand the more general cause of that widespread skepticism in Europe which has sapped much of the Community spirit. The call for the democratization of institutions is based not exclusively on an elitist belief in the efficacy of democracy, but on the popular support of most West Europeans. The materialistic, bureaucratic and technocratic Community does not only lack a soul; in its undemocratic structure, it also fails utterly to capture the interest and imagination of Europeans. Most view the EEC through Berlaimont, its Brussels headquarters, and Kirchberg, the Luxembourg home of the Political Secretariat-two solid and somber structures apparently dedicated to the enhancement of large multinational commercial enterprises, the inflation of the gross national product, and the neverending explosion of "Eurocrats" or technical civil servants of the New Europe. Certainly, some appearances are deceiving, for no elitist cabals or bourgeois supercapitalists make decisions, but it is true that the democratic process of public participation in the EEC is almost nonexistent. This fact conditions in part the overall disdainful feelings associated with the Nine, particularly with the inflation conditions of 1973.

The immediate external affairs concern of the Community finds the Benelux trio able to contribute to some unity, but often it is a major contributor to disagreement. On some basic economic issues, the conflict is absolute; the Dutch support a revised CAP with low price supports and moderate quotas, while the Belgians back high price supports and large quotas. On any significant topic for the "Nixon round" talks in the fall of 1973, the divergence of views on United States investments abroad finds commercial Belgium receptive and Holland questioning, even asking for some checks. Foreign investments are important to the Belgians, because they have been the biggest prop to the economy for 15 years, ameliorating the unemployment of the economically underdeveloped and declining regions of the south. The United States was the source of over 75 per cent of the investments from 1958 to 1967 (The Netherlands and United Prosity before joining the faculty at Tufts University.

Kingdom were far behind); but the situation has been changed with the 1968 and 1971 American announcements of new curbs on investments overseas. Nevertheless, the high level of United States investment in Belgium has continued and causes great concern to the EEC partners, particularly the Dutch.

#### FEAR OF THE UNITED STATES

The regional Community faces additional uncertainty with regard to two major powers which in turn poses major questions for the Lowlands. The EEC has two big trade problems, Japan and the United States, but her trade deficit with the Asiatic power contrasts with the trade surplus the Community achieved in 1972 for the first time vis à vis Washington. With the United States withdrawing from her major commitment in Southeast Asia, the Europeans can expect much more attention their way, in what United States presidential adviser Henry Kissinger proclaimed would be the "year of Europe."

Some Beneluxers have in fact expressed fear that there may be a Japanese-American "ganging up" against Europe, once the United States gets concessions from Tokyo. This is only one expression of European mistrust of the economic chauvinism of the United States, which they see as capable of strong-arm tactics (by Congress or the President) to bring competitors to heel. Many distorted perceptions exist on both sides of the Atlantic, but the Beneluxers contribute little to this trans-Atlantic battle of excesses. Nevertheless, one deep dread they do express concerns the possible carrot-stick approach of the Americans, dangling security and defense solutions before the Nine to gain an upper hand in the urgent trade and money talks. The vulnerability of the Germans in such a design particularly alarms the smaller nations.

Other Europeans see any push from Washington acting only as a spur to European common purpose and unity. In a rough scrap, a combination of external pressure and internal impetus would match a Europe that saw the necessity to define its combined interests and policies against a tough United States. In the 1973 trade and monetary reform talks, the United States insists that they be linked, a prospect the Europeans face reluctantly. They look forward to the money discussions under International Monetary Fund auspices in the fall. In both sets of multi-(Continued on page 182)

Pierre-Henri Laurent is a modern and contemporary historian whose interests lie in the field of diplomacy. Parts of his forthcoming work on the negotiations creating the European Economic Community, Diplomacy of the Relance Européenne have appeared in the Political Science Quarterly and the Journal of Contemporary History. He taught at Tulane Univer-

"... the United States of Europe is growing slowly. Real progress in this direction takes place in small steps on lower levels and not in accord with plans imposed from above."

## Toward a United States of Europe

By Walter H. M. Fröhlich Instructor of History, University of Wisconsin, Stevens Point, Munich

N JANUARY 1, 1973, the European Economic Community was enlarged from six to nine member states: Great Britain, Ireland and Denmark joined France, West Germany, Italy, Belgium, The Netherlands and Luxembourg to form the largest Common Market on the globe.\* It united the national economies of some of the world's most highly developed countries. Compared to the United States with its 204 million people and the U.S.S.R. with its 240 million people, the new European Economic Community embraced more than 256 million people.

The EEC thus became the most important and most powerful trade market in the world. Contrast this with the situation some 27 years before, when the nations of Europe had collapsed or were very near collapse from exhaustion brought about by the damaging fury and the exorbitant demands of World War II. Europe was worn out, starving and on the brink of giving up for good. In this situation, it was mainly because of the respiratory efforts of the United States that Europe survived. Indeed, Europe recovered and is now accepted by the United States as a healthy partner.

How did this change in the European condition What caused the nations of Europe to put aside their mistrust and embark on the course leading to the growing integration of the formerly hostile nations?

The wartime alliance of the U.S.S.R., the United States, Great Britain and France for the purpose of conquering Hitler had already weakened toward the end of World War II. This became particularly evident during the postwar conferences of Yalta and Potsdam in the winter and summer of 1945. The breaking up of the alliance was due largely to differences of opinion as to how Poland, Rumania, Bulgaria, Greece, Turkey and Iran were to be dealt with.

refused to accept their government's plan to join the EEC.

In this atmosphere of waning trust and transition one of the allied leaders, Winston Churchill, then no longer Prime Minister of Great Britain, gave a visionary speech calling for the unification of Europe, on September 19, 1946.

Churchill's plan for a united Europe did not come out of the blue. The former Prime Minister of Great Britain was by no means the inventor of the idea of European unification; he was merely one of its most prominent advocates. As a matter of fact, since the loss of European unity in the Middle Ages, philosophers, writers and active politicians have urged some sort of European unity.

It is not possible to name all these thinkers here but a selected few may represent the great number who urged European unity in one form or another. The oldest may be the Norman scholar Petrus de Bosca, Pierre Dubois. In his book, De recuperatione terrae sanctae (1306), he advocated a federation of the European states to guarantee peace in Christendom. The idea was kept alive by men like Thomas More in his Utopia, Hugo de Groot in his writings on international law and Konstantin Frantz in his concept of a "polyarchy" of free European states.

In the years following World War I, an Austro-German count, Coudenhove-Kalergi, propagated his idea of Pan-Europa to overcome the war's consequences. In 1929, French Foreign Minister Aristide Briand, with the agreement of German Foreign Minister Gustaf Stresemann, presented his plan for the unification of Europe to the assembled League of Nations in Geneva.

Briand's speech was a sensation. His audience was completely surprised. But despite the approval which was given to this plan, it was never adopted. All concepts of European unity were doomed in the face of the more powerful concept of sovereignty until 1946. But the experience gained in two world wars made people aware of the fact that the only way to achieve the unification of Europe was gradually to give up parts of this sovereignty.

<sup>\*</sup> This article is a revised version of a lecture given by Dr. Fröhlich at the University of Wisconsin, Stevens Point, Munich, on September 18, 1972.

<sup>1</sup> In a referendum on September 24, 1972, the Norwegians

This limitation of the national sovereignty for the benefit of supranational organizations and bodies was demanded by the Movement for European Unity after 1945. This movement was strongly influenced by World War II European resistance groups, whose ideas were based on socialist principles.

These resistance groups developed their ideas during the war, and their representatives eventually met at Hertenstein on the Swiss lake of Lucerne in September, 1946. It was at the same time that Winston Churchill gave his speech in Zurich, which is quite close to the lake of Lucerne.

The other large, influential group within the Movement for European Unity was the Catholic resistance movement and the Catholic and conservative sections within this movement. As a constructive contribution to the European Movement it was natural for them to introduce that Christian universalism which had once been represented by the Carolingian Empire as a historical unit, and which had been destroyed by the demands for individual sovereignty made by the territorial states. These Catholic and conservative members of the Movement for European Unity were prepared to rebuild Europe within a supra-national framework.

#### THE MARSHALL PLAN

The second reason for the change which led toward European integration came from outside. Nine months after Churchill's speech at Zurich, the United States lent a helping hand by offering large sums of money as loans for the rebuilding of Europe. On June 5, 1947, George Marshall, United States Secretary of State, gave his famous speech at Harvard University. He offered the help of the United States of America for the rebuilding of Europe on the condition that the European nations cooperate more closely with one another. After George Marshall's speech, the representatives of 16 European nations met in Paris. They discussed how the conditions for American aid could be met and how the demanded cooperation could be organized. A committee of the 16 drafted a memorandum which was sent to the American government within a few weeks.

Thus the foundations were laid for the European Recovery Program. The gigantic undertaking of the Marshall Plan could begin. American subsidies, raw materials, goods and credits, part of which were given "à fonds perdu," or as loans, were distributed to every European nation. In due course, they jointly established the Organization for European Economic Cooperation (the OEEC), the first European political body with a supranational character.

And yet there was a third reason for the nations of Europe to bury their differences and jealousies and embark on the course leading toward European integration.

George Marshall's offer of assistance had been extended to every European nation. The U.S.S.R., however, refused to accept any American aid, seeing it as an instrument of America's dollar-imperialism. The Soviet Union forced some of its satellites, including Poland and Czechoslovakia (who had already accepted the proposed help), to renounce any cooperation with the United States and other European nations.

This marked the collapse of the alliance against The common enemy who had held it together had disappeared, and the differences between the former allies grew into enmity. This enmity did not, however, turn into open hostility. It produced the cold war, the early climax of which was the blockade of Berlin in the winter of 1948-1949. Europe was split into two blocs along the line which can be drawn from the town of Lübeck on the Baltic Sea to the city of Trieste on the Adriatic. In the East, Lithuania, Estonia, Latvia, Poland, Czechoslovakia, Hungary, Yugoslavia, Albania, Bulgaria and Rumania all disappeared behind the iron curtain. This bloc was the terrifying threat to the rest of Europe of which Churchill had spoken in Zurich. In order to retain their independence, the nations of West Europe united in an alliance with the United States.

H

How did the growing movement toward European integration come into existence? European integration was attempted simultaneously in three different fields: military, economic and political. The "Europeans," those who advocated European integration in various political parties and other politically relevant pressure groups, took upon themselves the task of furthering integration in each of the three fields at the same time. There was and still is a permanent interflow of information and interaction among the military, political and economic organizations of the growing Europe.

In order to make the most efficient use of the economic help from the United States and Canada and with a view to securing success in European cooperation, the 16 European nations who accepted Marshall Plan funds and supplies signed a treaty on April 16, 1948, establishing the Organization for European Economic Cooperation, known as the OEEC. The members of this organization were Austria, Belgium, Denmark, Great Britain, France, Greece, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Sweden, Switzerland and Turkey. Germany was represented by her three military high commissioners who represented that part of Germany divided into the American, British and French zones of occupation. The United States and Canada, the two nations providing the aid, were associate members. Thus all European nations west of the iron curtain became members. The aim of the OEEC was to help rebuild a healthy European economy by encouraging the cooperation of the individual states and to ensure the success of this reconstruction. Basically, this was to be achieved by a liberal economic policy, breaking down trade barriers. The final goal was a customs union of a free trade area.

The OEEC was organized into three bodies, the council, the general secretariat and the executive committee. Power of decision lay with the council. It was made up of representatives from the governments of all member states. Decisions could be taken only when there was unanimous agreement. This, of course, meant that only rather noncommittal decisions were made and that any member who did not vote for the decision in question did not feel bound by it. It is clear that this organization was anything but a supranational one. It was merely an international or inter-state institution in the form of a permanent European summit meeting on a lower level.

On September 30, 1961, the OEEC was changed into the OECD—the Organization for Economic Cooperation and Development. This new organization has the same structure and political bodies as the old one. The United States and Canada acquired full membership and later Japan joined also. Thus the organization which had started as European has widened to become global. It is no longer a European organization to further European integration in the economic field. The attempt to integrate Europe economically "from above"—that is, through intergovernmental agreements—failed.

The attempt to integrate Europe in the military field met with a similar fate. During the early months of 1948, Great Britain had taken the initiative. In a speech in the House of Commons, Foreign Secretary Ernest Bevin expressed the view that there was agreement among the nations of Europe with regard to the creation of European unity. The only problem was how to reach that goal. He declared that it would have to be the aim of all concerned to create an organization in which no single nation could acquire a hegemonial position. The British government suggested enlarging and developing the already existing military alliance between Great Britain and France. And so, on March 3, 1948, the so-called Brussels Pact was signed by Great Britain, France, Belgium, The Netherlands and Luxembourg, thus forming the Western Union. The purpose of this organization was twofold. First of all, it was a military alliance. Each member agreed to provide military assistance in the case of aggression against any fellow member. Secondly, the Brussels Pact obliged its members to cooperate in the economic, social and cultural fields.

It will be noted that Germany, or whoever represented Germany in those days, was not a partner in

this alliance. As a matter of fact, the signatories of the Western Union considered Germany to be among the possible aggressors. During the ensuing cold war, however, the United States and the members of the Western Union deemed it necessary to rearm Germany and make her a partner in the defensive front against the Soviet threat from the East.

#### THE PLEVEN PLAN

The fear of German militarism and the possible danger to peace of a German army under national leadership led to the concept of an integrated multilateral force. Partners in this alliance would delegate sections of their national forces as contingents. Germany, however, would have to place her entire national force as the German contingent under a supranational high command. On October 24, 1950, the French Prime Minister, René Pleven, revealed his plan in the Assemblée Nationale after having been in contact with Winston Churchill and West German Chancellor Konrad Adenauer. His plan closely followed the suggestions of the Council of Europe, the political body for European integration. Pleven proposed the formation of a European army which was to be placed under the authority of a European Minister for Defense, who would be responsible to the parliamentary assembly of the Council of Europe.

The French Parliament welcomed the Pleven plan in the face of opposition from Communists and others, like General Charles de Gaulle, who suggested exactly what nobody wanted, namely, a coalition army instead of an integrated army. This time the opposition did not succeed. On May 27, 1952, the foreign ministers of Belgium, Germany, France, Italy, Luxembourg and The Netherlands signed the treaty to create the "European Defense Community" which was to establish the integrated European army. This army was to have a joint high command with the already existing NATO. The treaty was also to include a mutual alliance with Great Britain.

The "Europeans" were in high spirits everywhere. The treaty had passed one Parliament after another for ratification when on August 30, 1954, the French Assemblée Nationale refused to ratify it, thus squashing the creation of the "European Defense Community." This was the first occasion on which France stood against the other members. It was unfortunate for the integration of Europe that this situation occurred again and again: with Germany, Italy and the Benelux countries on the one side, and France on the other. France did not want, and still is very sensitive about, any supranational authority. The others wanted to keep as much of the Pleven plan as possible and are still trying to establish supranational European structures.

Again the British government under Winston Churchill took the initiative. Western Union or the

Brussels pact was to be enlarged by including Germany and Italy and by admitting Germany to NATO. The enlarged Western Union changed its name to the "West European Union," retaining however the structure and objectives of the former union. And so the West European Union, like its predecessor, the Western Union, is not a supranational organization; it is not a European organization in the strict sense of the word. It is an attempt to make the best out of a bad job after the failure to found an integrated European army; in effect it is a regional subdivision of NATO. Under de Gaulle's leadership, France continued to oppose any supranational and in particular any American influence on her armed forces. carried this opposition to its logical conclusion when, in 1966, she left NATO and started building her own nuclear weapons, the famous "force de frappe." Thus the attempt to integrate Europe from above in the military field was also a failure.

Supranational integration was also attempted in the political field. There were many ideas and proposals concerning the political unification of Europe. Out of all these it was the "Conseil d'Europe"—"Council of Europe"—which eventually came into existence. Winston Churchill had demanded this organization in his Zurich speech, as a precursor for the United States of Europe. There were 18 states as members of the Council of Europe: Austria, Belgium, Cyprus, Denmark, France, Germany, Great Britain, Greece, Iceland, Ireland, Italy, Luxembourg, Malta, The Netherlands, Norway, Sweden, Switzerland and Turkey. Apart from the European states under Communist rule, only Finland, Spain and Portugal do not yet belong to the Council of Europe.

This political institution in Europe, however, falls far short of the expectations and wishes of the "Europeans." It is by no means a powerful organization; in fact, it is not even European in the strict sense of the word, because it has no supranational qualities. Article 2 of its constitution states that it is merely a consultative organization. The member states are called upon to protect and further the ideals and principles of the common heritage. This is to be achieved by discussing problems of common interest, by concluding treaties, by joint enterprises in the economic, social, cultural and technical fields, by mutually supported proceedings in the area of law and administration, and by the protection and advancement of human rights and basic liberties. The Council of Europe was deliberately exempted from any defense problems. Membership is open to any European state which is able and prepared to respect the rule of law and to guarantee its citizens human rights and liberties. Membership can be given up after due notice; even exclusion is possible if a member grossly violates the above-listed conditions of memberthe Council of Europe in order to avoid being expelled.

In answering the question: How did European integration come into existence? it has to be admitted that all attempts to organize European integration from above have been failures. But despite these failures in attempting to establish supranational organizations for economic, military and political integration, the European countries are moving closer together. The debates, the small successes, even the failures, have created a common European interest, opinion and atmosphere. There are many areas in which European nations are cooperating more closely than ever, gradually building up a feeling of European "togetherness." There is, for example, a European flag and a European anthem. School exchanges and partnerships between cities and universities are becoming more frequent; television programs like "It's a Knock-out" are successful. European sports competitions between individual sports clubs are encouraged and well supported; tourism among all countries is increasingly popular. There are European stamps, highways and express trains; there is an automatic European telephone service; and there are countless other small attempts at furthering European integration. There is also the "Karlspreis" commemorating Charlemagne and his Empire of European dimensions, awarded annually by the city of Aachen to the politician who is considered to have best promoted European integration in that year. Above all however, there is the tremendous success of the European Economic Community.

#### III

Two factors would seem to have been responsible for the stagnation in the integration of Europe.

- 1) Changes in the network of political relations and the apparent weakening of the Soviet threat to Europe provided the atmosphere in which nationalism was resurrected in Europe, particularly in de Gaulle's France.
- 2) The other factor which caused stagnation in the movement to unify Europe is fundamental, namely, the difference of opinion between the so-called "federalists," who strive for European integration from the governmental level, and the so-called "functionalists," who hold that the problem of integration must be solved pragmatically—that is, the individual problem must be solved in a way which is acceptable to all parties concerned. The sum of solutions of this kind may eventually produce an integrated political structure in Europe.

rule of law and to guarantee its citizens human rights and liberties. Membership can be given up after due notice; even exclusion is possible if a member grossly violates the above-listed conditions of membership. The present Greek government resigned from SE Heydte havershown, to the fundamental differences

in the legal systems in the European nations on the "Continent" and the other nations in the north and northwest, namely, Scandinavia and Great Britain.

To explain these different legal systems it would seem fitting to recall that in the course of the later medieval period the new territorial states of Europe took on Roman law which replaced the original Germanic law of the Carolingian Empire. adoption of Roman law provided these states with the tools for developing their structures. One of the most powerful tools within these states was, and still is, their highly qualified bureaucracy. One would expect the national bodies of these highly qualified civil servants to strive to retain their national identities so that the future development of European integration could be directed by coordinating governmental measures of the member states. This, however, is not the case; the conviction is widespread that supranational bodies are essential. There is a strong tendency in favor of a supranational solution under European technocrats. Continental democracies find it difficult to check the power and influence of their administrations.

Great Britain and the Scandinavian countries had not adopted Roman law, but had developed common law. A deeply rooted respect for the laws of the land, respect for sovereignty as represented by Parliament, respect for Parliament as such-these are the direct results of the development of such a legal system. Administration in these countries grew within the legislative body and under the powerful control of Parliament. For these states, the limitation of national sovereignty required by the federalists would bring about a lessening of the power of Parliament, and such a diminution of parliamentary power in favor of a supranational administration without democratic control would go against the traditional understanding of the relationship between citizen and state in these particular countries.

This fundamental difference could not be ignored by the representatives of these states when negotiating European problems. The debate between the federalists and functionalists on the continent was brought to a head when the Soviet Union acquired nuclear power, and the United States demanded that the Federal Republic of Germany be rearmed and brought into the Western Alliance.

The stagnation caused by disagreement about the approaches to European integration was thus ended by outside pressure. The movement toward integration started to progress again when a decision was made in favor of the functionalist approach. This meant that any problem in need of an immediate solution had to be jointly solved then and there in such a way as to be acceptable to all concerned. In due course, the sum of pragmatic solutions of this kind would produce the political structure of an inte-

grated Europe. In 1950, the most pressing problem was the supply of coal and steel. The solution of this problem initiated the European Economic Community.

#### IV

The first step toward the establishment of a European market was taken by French Foreign Minister Robert Schumann. On May 9, 1950, he proposed the so-called Schumann Plan, to create a pool for German-French coal and steel production. Convinced that a United States of Europe could more easily be formed by starting in one particular sector, Schumann suggested placing the production of coal and steel under one authority as the first step in this direction. Konrad Adenauer, then Chancellor of the Federal Republic of Germany, welcomed this plan. A number of other continental governments were also interested, but the British government refused to cooperate in this undertaking, declaring that no British government could accept or acknowledge any supranational authority. Eventually, only six European governments reached an agreement. On April 18, 1951, the treaty constituting the Montan-Union—in English, the Coal and Steel Community—was signed in Paris by the Six countries: Belgium, France, Germany, Italy, Luxembourg and The Netherlands. This treaty founded the first common market of the Six, for coal and steel and for the people working in these industries.

This was the first step toward the integration of Europe in the full sense of the word. The supranational character of this Community was evident in its organizational structure. The coal and steel industries of the member states were still subject to national legislation; the Community, however, was given far-reaching authority to control and regulate production, prices and investments and various sections of foreign trade. In these fields, the Community could overrule the national authorities. The member states and industries were bound to comply with the decisions and rulings of the Coal and Steel Community, under pain of fine.

At last, one of the attempts toward the integration of Europe had achieved a decisive measure of success. The six member states of the Montan-Union had given up part of their sovereignty to the supranational organization. The body which took over this authority—the High Commission—was made up of nine people, of whom eight were appointed by the member states for a six-year term of office. The Commission is the most powerful of all the European bodies and is entitled to have a voice in the national economies. Its chief task, according to the Treaty of Paris, is to ensure that the objectives of the Treaty are being followed and achieved. Unlike the administrative bodies of other European organizations, its de-

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cisions are reached by simple majority. This supranational Commission must, of course, cooperate with the representatives of national interest, namely, the Council of Ministers. The principal task of the Council—in which each government is represented by one member—is to integrate the activities of the Commission into the economies of the respective states. If agreement is not reached, the Council may veto the Commission's decision.

The pooling of coal, iron and steel achieved tremendous success in two respects. The first was the increase in production within the Community. Between 1952 and 1961, the output of the Community increased by 6.4 per cent per annum—compared to an increase of 3.3 per cent in Britain and-a zero increase in the United States during the same period. Second, there was a political aspect of this economic success. Because of the nuclear stalemate of the great powers and the revival of nationalism in Europe, integration in the military and political fields faced various setbacks. But the Suez crisis and the Soviet use of force against Poland and Hungary made the nations of Europe acutely aware of the Soviet threat to their freedom, and at least some of them realized that the end of their influence as world powers was approaching.

In this situation, the success of the Montan-Union sparked the plan to form a community for European nuclear research and exploitation and to embark on the road which would eventually merge the national markets of the European nations into one common market. On March 25, 1957, the treaties for Euratom and the European Economic Community were signed in Rome by Belgium, France, Germany, Italy, Luxembourg and The Netherlands. In 1967 and 1970, these three independent but identically organized bodies—Montan-Union, Euratom and the EEC—were merged.

The European Economic Community—or Common Market—was founded by the Treaty of Rome. The core of the Common Market was a customs union which was to be achieved by January 1, 1970, but was actually reached 18 months earlier, on July 1, 1968. Since then, the Common Market has been a free trade area in which no tariffs or customs are levied on manufactured goods or foodstuffs passing from one member country to another.

The EEC, however, has not achieved a fully unified market in which all economic policies have been standardized. In particular, Europe will require a single currency before it can be described as a truly integrated market. The 1972 monetary crisis due to the weakness of the dollar produced a common European financial policy. It was agreed to link the currencies of the West European countries more closely and jointly to defend their currencies against the influx of dollars. The dollar crisis harmed European

currencies, but it also promoted a common European financial policy and the creation of the European Monetary Trust in Rome in September, 1972. This agreement will eventually lead to the creation of a single European currency.

The EEC, however, intends to be more than just a large market within a customs union. Not only are there no trade barriers hindering the movement of goods; there is also free traffic of persons, services and capital, and freedom in the choice of place of residence. This last is an important political aspect which could lead to a European citizenship. The political significance of the EEC is clear. The preamble to the Treaty of Rome states that the six Heads of State intend to encourage an ever closer union among the European peoples. The final goal is the political unification of Europe.

This attempt to build a political edifice on an economic foundation follows nineteenth century thinking. On the basis of Friedrich List's "Zollverein," Bismarck built the second *Deutsches Kaiserreich*. C. Cavour followed the same pattern in his plans for the unification of Italy. However, two important factors have delayed Europe's progress toward political unification. One was Charles de Gaulle of France, who was unwilling to accept the political implications of EEC.

The second factor which has greatly delayed the achievement of European integration was the splitting of Europe into the EEC of the Six and the European Free Trade Association—EFTA—of the Seven, headed by Great Britain. The economic failure of EFTA, compared with the considerable success of the EEC in all fields, led Great Britain to the realization that her future lies, not within the Commonwealth or in association with other overseas partners, but only in close cooperation with the states of Europe. Her application for membership in the EEC followed this After two unsuccessful applications, in large measure due to de Gaulle's opposition, the third application, in 1969, was successful and paved the way for Great Britain's entry, and with her two other members of EFTA—Ireland and Denmark. The treaties were signed on January 22, 1972, and the EEC of the Nine came into being on January 1, 1973.

Three EFTA states—Austria, Sweden and Finland—as well as Iceland, Switzerland and Portugal, became associate members of the EEC on July 22, 1972. The EEC and its associate members have agreed to create one large free trade market inside a common customs barrier within the next five years.

(Continued on page 183)

Walter H. M. Fröhlich teaches modern and contemporary history at the Stiftungsfachhochschule in Munich as well as at the University of Wisconsin, Stevens Point's overseas study center in Munich.

#### CURRENT DOCUMENTS

## The Azores Agreement

On December 9, 1971, the United States and Portugal came to an agreement with regard to the continued stationing of United States forces at Lajes Base in the Azores in the mid-Atlantic, which belong to Portugal. Critics of United States policy charged that the United States agreement to grant economic aid to Portugal constituted support for Portugal's policy of combating insurgency in her African territories. This charge was denied by the State Department. The texts of the department announcement of the Azores Agreement, the U.S. note and the letters on economic assistance follow:

#### **DEPARTMENT ANNOUNCEMENT**

Secretary Rogers and the Minister of Foreign Affairs of Portugal, Rui Patricio, exchanged notes at Brussels on December 9 extending until February 4, 1974, the arrangement permitting peacetime stationing of U.S. forces at Lajes Field in the Azores.

Since the expiration of the time period of the agreement in 1962, United States forces have been authorized by the Government of Portugal to continue to use the facilities until negotiations could be satisfactorily concluded.

The U.S. Government agreed to the current round of negotiations on February 3, 1969, and the exchange of notes just concluded extends our rights for 5 years from that date without any rental provision.

During the Foreign Minister's visit to Washington in November, 1970, negotiations were initiated concerning economic assistance to aid the Portuguese Government in implementing various social and economic development programs.

The United States has agreed to provide a 2-year Public Law 480 program in the amount of \$15 million per year. Also, the Export-Import Bank of the United States has declared its willingness to provide, in accordance with its usual loan criteria and practices, the financing for U.S. goods and services for development projects in Portugal, including airport construction, railway modernization, bridge-building, electric power generation, mechanization of agriculture, harbor construction and town planning, and the supplying of equipment for schools and hospitals, valued at approximately \$400 million. In direct aid, we are providing one oceanographic vessel on a no-cost lease basis, a grant of \$1 million for educational development projects selected by the Government of Portugal, and nonmilitary excess equipment in the amount of \$5 million, which amount is to be considered illustrative and not a maximum ceiling so that it may be exceeded if deemed mutually desirable.

#### TEXT OF U.S. NOTE

**DECEMBER 9, 1971.** 

EXCELLENCY: I have the honor to acknowledge receipt of Your Excellency's Note dated December 9, 1971, which reads as follows:

"I have the honor to refer to the letter of the Foreign Minister of Portugal to the Ambassador of the United States of America, dated December 29, 1962, and to the notes of this Ministry and of your Embassy, dated January 6, 1969, and February 3, 1969, respectively, relating to the conversations regarding the continued stationing of American forces and personnel at Lajes Base in the Azores and its use by the same.

"I have the honor to propose that the continued use by American forces of the facilities at Lajes Base be authorized by the Government of Portugal for a period of five years dating from February 3, 1969. The continued use of such facilities will be regulated by the mutual arrangements affirmed and described in the letter of the Foreign Minister of Portugal dated December 29, 1962. Either party may propose the commencement of conversations regarding use of such facilities beyond the period described in this note six months before the expiration of such period, but no determination that a negative result has arisen in such conversations shall be made for at least six months following the expiration of such period. In the event neither party proposes the commencement of further conversations, a negative result shall be deemed to have arisen upon the expiration of the period described in this note.

"I should like to propose that, if agreeable to your Government, this note, together with your reply, shall constitute an agreement between our two Governments."

I confirm to you that the above quoted proposal is acceptable to the Government of the United States, and that Your Excellency's note and this reply shall be regarded as constituting a formal agreement between the two Governments.

Accept, Excellency, the assurances of my highest consideration.

WILLIAM P. ROGERS.

Secretary of State of the
United States of America.

HIS EXCELLENCY, RUI PATRICIO, Minister of Foreign Affairs of Portugal.

#### LETTERS ON ECONOMIC ASSISTANCE

#### First Letter

DECEMBER 9, 1971.

DEAR MR. MINISTER: I refer to the series of discussions that have taken place between our two Governments designed to enhance our political, economic, and cultural relations and

(Continued on page 180)

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# **BOOK REVIEWS**

THE UNITED STATES, COMMUNISM, AND THE EMERGENT WORLD. By Bernard P. Kiernan. (Bloomington, Indiana: Indiana University press, 1972. 248 pages, bibliographical note and index, \$7.95.)

Using the term communism to refer to the outlook of all radical groups in the Third World intent on change, the author holds that everywhere in that area the United States is in a position of opposition. The book presents a valid criticism of American foreign policy, and an analysis of developments in the Afro-Asian world which was relevant in the 1950's and early 1960's, but which is relatively obsolete in the 1970's. Third World countries have far more to lose from American neoisolationism than from American intervention.

Alvin Z. Rubinstein University of Pennsylvania

HISTORY OF PORTUGAL, VOL. II: FROM EMPIRE TO CORPORATE STATE. By A. H. DE OLIVEIRA MARQUES. (New York: Columbia University Press, 1973. 303 pages, bibliography and index, \$15.00.)

This narrative history of Portugal and its overseas territories fills a critical gap. It treats the period from the early 1800's to the late 1960's. In the process, an enormous amount of data is offered on economics, politics, social trends, and the Portuguese empire in Africa. This is a sober, serious work on a neglected topic.

A.Z.R.

EUROPEAN DIPLOMATIC HISTORY 1815–1914. EDITED BY HERMAN N. WEILL with original translations and scholarly notes. (Jericho, New York: Exposition Press, 1972. 343 pages and index, \$15.00.)

In the preface to this collection of European diplomatic documents from the Congress of Vienna to the First World War, Professor Weill contends that "[w]ith the United States involved in three major wars within the past thirty years alone, the need has become imperative for every citizen to develop clear concepts about diplomacy and international relations." The work is compiled with that end in mind.

Specifically, the author has selected documents related to the Congress of Vienna, the Crimean War, the unification of Italy, the unification of Germany and the origins of the First World War. For those with a thorough knowledge of the historical backdrop of these diplomatic productions

the words of the significant characters—Metternich, Cavour, Bismarck, and so on—might have great significance. But "every citizen" might encounter difficulty with terms such as "Burschenschaften" or the "sick man of Europe," both of which like many other terms of nineteenth century European history) appear without explanation. In short, this work may be of little value to anyone without at least a casual knowledge of European diplomatic history from 1815 to 1914.

This collection of readings may be useful as a supplement to a European history survey course; yet its relatively high cost may prompt the professor to turn to other readers which could serve the same purpose.

John A. Lynch, Jr. George Washington University

PEACE FOR OUR TIME: MUNICH TO DUN-KIRK—THE INSIDE STORY. By ROGER PARK-INSON. (New York: David McKay Company, Inc., 1972. 412 pages and index, \$7.95.)

Roger Parkinson has written an account of British diplomacy in the opening stages of World War II that reads as smoothly as a well-paced novel. Utilizing Cabinet papers which have only recently been released from security restrictions, Peace for Our Time portrays the personalities and events which shaped Britain's policies toward Germany, France and the other European powers. Particular emphasis is placed on accounts of Prime Minister Neville Chamberlain's Cabinet meetings, his meetings with Hitler, and the reactions of diplomats and officials to these events. Parkinson deliberately chooses to develop his materials chronologically, and does not allow later events to provide hind-Thus this thoroughly researched and historically important work develops a feeling of rare suspense, strengthened by the presentation of parallel diplomatic policy-making in the councils of the nations most intimately involved. As the reader watches the shaping of British, French, and Czechoslovakian foreign policy in response to Germany, he also is treated to a picture of the German demand being considered and debated at the same time by Hitler and his advisers. This treatment highlights the singlemindedness and strength of the European leaders as each leader and each nation pursued a different policy, based in part on vastly different philosophies and critically erroneous assessments of the other participants. Parkinson has provided a thoroughly annotated, well indexed his-

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torical treatment that should prove useful for researchers and exciting for the interested reader.

Timothy L. Thompson George Washington University

THINGS TO COME: THINKING ABOUT THE 70's and 80's. By Herman Kahn and B. Bruce-Briggs. (New York: The Macmillan Co., 1972. 262 pages and index, \$6.95.)

THE FORTUNES OF THE WEST: THE FUTURE OF THE ATLANTIC NATIONS. BY THEODORE GEIGER. (Bloomington, Indiana: Indiana University Press, 1973. 304 pages and index, \$10.00.)

These two works present analyses of and projections for the future, Kahn's book with a world perspective, Geiger's emphasizing Western nations and culture. Both books are examples of the genre of "futurist" literature, presenting trend analyses of the past and present and projecting the trends into the near future. Each identifies areas of expected change and predicts possible variations of future developments. Things to Come developed out of research at the Hudson Institute and has a dual purpose. On the one hand, it is an attempt to present a picture of issues and trends of the immediate future. On the other hand, it is a specific attempt by the Hudson Institute to provide a framework and terminology for the continued study of "futurology." In this vein, a series of "surprise-free projections" and scenarios for different possible futures and future trends are presented covering specific subject areas.

Within the specific context of Western development, Fortunes of the West offers a more detailed analysis than Things to Come. Geiger outlines trends of Western civilization in modern history and projects them into the future, including such topics as the prospects for world peace, European unification, the development of an emerging technocratic society, and the significance of a new nationalism. Some of his projections are surprising. In general, all of them provide more concrete suggestions than Kahn provides. Kahn is more concerned with terminology and structure, Geiger with a definitive picture based on his own analysis. Each work, however, provides a glimpse into this new field in its own way.

The usefulness of the entire field is another question.

T.L.T.

FRANCE IN THE TWENTIETH CENTURY. By Philip Ouston. (New York: Praeger Publishers, 1972. 290 pages and index, \$10.00.)

EUROPE IN THE TWENTIETH CENTURY. By George Lichtheim. (New York: Praeger Publishers, 1972. 409 pages and index, \$12.95.)

#### THE AZORES AGREEMENT

(Continued from page 178)

in particular to the discussions that have centered on Portugal's development programs in the fields of education, health, agriculture, transportation, and science.

As a result of these discussions, the United States agrees, within the limitations of applicable United States legislation and appropriations, to help Portugal in its development efforts by providing the following economic assistance:

- 1. A PL-480 program that will make available agricultural commodities valued at up to \$15 million during FY-1972 and the same amount during FY-1973. The terms of the agreements under PL-480 will be 15 years at 4½ per cent interest, with an initial payment of 5 percent and currency use payment of 10 percent.
- 2. Financing for certain projects of the Government of Portugal, as follows. The two Governments have reviewed development projects in Portugal valued at \$400 million and the United States Government declares its willingness to provide, in accordance with the usual loan criteria and practices of the Eximbank, financing for these projects.
- 3. The hydrographic vessel USNS Kellar on a no cost basis, subject to the terms of a lease to be negotiated.
- 4. A grant of \$1 million to fund educational development projects selected by the Government of Portugal.
- 5. \$5 million in "drawing rights" at new acquisition value of any non-military excess equipment which may be found to meet Portuguese requirements over a period of two years. The figure of five million dollars is to be considered illustrative and not a maximum ceiling so that we may be free to exceed this figure if desired.

As soon as the Government of Portugal replies to this letter, discussions shall be initiated to implement the details of each of the individual items listed herein.

Sincerely yours,

WILLIAM P. ROGERS.

His Excellency, Rui Patricio, Minister of Foreign Affairs of Portugal.

# Second Letter

DECEMBER 9, 1971.

Dear Mr. Minister: During the recent discussions between our two Governments regarding possible participation by my Government in the plans which your Government has drawn up for the economic and social development of your country, Portuguese and American technicians have reviewed various Portuguese proposals with a total value of some \$400 million. These included, inter alia, projects for airport construction, railway modernization, bridge-building, electric power generation, mechanization of agriculture, harbor construction and town planning, and the supplying of equipment for schools and hospitals.

I am pleased to inform you that the United States Government is willing to provide, through the Export-Import Bank of the United States, financing for U.S. goods and services to be used in these projects, in accordance with the usual loan criteria and practices of the Bank. Applications for loans or preliminary commitments covering specific projects may be submitted to the Bank through the Portuguese Embassy in Washington or directly at any time and will receive expeditious handling.

Sincerely yours,

WILLIAM P. ROGERS.

HIS EXCELLENCY, RUI PATRICIO, Minister of Foreign Affairs of Portugal.

# EUROPE AND THE SUPERPOWERS

(Continued from page 149)

Eden warned, successful East-West diplomacy still required a strong and cohesive Atlantic Alliance.

As West Europe moved into the 1970's, security remained the key to its future. Confronted by a powerful Soviet Union, that region could scarcely reestablish its historic role of independence and leadership without a continued American presence—a reminder, indeed, that the consequences of Hitler's war had no foreseeable end. Still, Europe's evolution on all fronts appeared promising enough. United States interests and traditions had become too enmeshed in European affairs to permit any retreat to prewar isolationism. At the same time, Europe's stability had encouraged a Western attitude of resignation toward the Soviet hegemony.

Diplomats are never permitted to foresee all the factors which might undermine their endeavors. That their efforts have seldom been long-lasting is not necessarily a mark of failure. Diplomatic settlements must balance national interests, which seldom remain constant. Still, throughout the cold war, no major European state pursued tangible objectives that endangered the vital interests of another. All Europeans, having experienced a generation of unprecedented technological and material progress, shared a deep concern for peace. Never, it seemed, had the chief trends in European diplomacy better served the highest interests of all. Therein lay the assurance that Europe would one day recover major control of its own destiny.

#### WEST GERMANY'S FOREIGN POLICY

(Continued from page 153)

The détente produced partially by Brandt's Ostpolitik has facilitated the convening of an international Conference on European Security and Cooperation (CESC), long sought by the Soviet Union and the Warsaw Pact members. The Western powers, doubtful that much could be achieved at such a conference, consented finally, because they could also use their assent as a lever to convince the Soviet Union and the G.D.R. to sign the German treaties.

On November 22, 1972, 34 representatives of West and East European countries, Canada, and the United States met in Helsinki at a preparatory conference. They were to agree on an agenda and on procedural aspects for the main conference, which is to convene in 1973. For the first time at a major international

conference, representatives of both Germanys participated—and sat next to one another.

West German Foreign Minister Walter Scheel emphasized at a press conference in November that the CESC will produce a further détente and cooperation between East and West, which in turn will lead to more trust between states and a sense of greater military and political security. To this end, he hoped the CESC would pass a resolution on the principles of state relations based on international law, and would discuss some military aspects of security, increased trade and human contacts between East and West, and further cooperation in the non-political fields.

While the Helsinki meeting was in progress, plans were also under way to convene a conference on mutual balanced force reductions (MBFR) in Europe, which would deal primarily with NATO and Warsaw Pact troop cuts in central Europe. According to Western proposals, this conference would meet separately but concurrently with the CESC. Scheel predicted that the MBFR conference will last much longer than the CESC, because of the complexity of the problems involved, and that "it will become a permanent conference until results are achieved."

#### CHINA

While West German diplomats were preoccupied with negotiating treaties and attending conferences dealing with the legacy of World War II in central Europe, they were also interested in establishing relations with the People's Republic of China. However, they did not want to take the initiative while engaged in sensitive negotiations with the Soviet Union and East European countries, fearing that Moscow would view a rapprochement with China as an unfriendly act. As most of the Ostpolitik goals had been reached by 1972, the time seemed more propitious for a West German-Chinese dialogue.

In July, 1972, Gerhard Schroeder, former foreign minister under Chancellor Konrad Adenauer and chairman of the Bundestag Foreign Affairs Committee, went to Peking for a two-week informal exploratory visit to sound out Chinese leaders on their views toward establishing diplomatic ties. They were favorably disposed and did not interpose any conditions which might have been damaging to the ongoing Ostpolitik. Wary Soviet leaders, however, denounced Schroeder's trip as a perfidious plot threatening international peace.' Clearly, the Soviet Union still feared a rapprochement which might run counter to its interests. Der Spiegel, the weekly West German newsmagazine, commented in reply that West Germany was much too small a country to play a German-Chinese game of politics in the Washington, Moscow, Peking triangle. "We cannot encircle Moscow, we cannot blackmail it with Mao's 800 million," it

After Schroeder's trip and further exchanges with Chinese representatives in Bonn, Scheel flew to Peking. On October 11, 1972, he announced that the two states had decided to establish diplomatic links and to exchange ambassadors in the near future, to increase their volume of trade, including the export of industrial equipment and plants (and color television) to China, and to promote cultural, sports and scientific The October accord bore fruit swiftly. exchanges. Two months later, both states established diplomatic relations, and initialed an agreement on trade and payments to remain in effect until 1974. The two Germanys hope to receive another dividend from the Chinese Premier Chou En-lai promised accord. Scheel that he would support the admission of both German states into the United Nations, thus not interposing any veto in the Security Council, even though the G.D.R. was pro-Moscow.

In sum, the Brandt government in 1973 could look with a measure of satisfaction upon foreign policy developments in all areas of the globe. In well planned and well executed schemes, the West German government has achieved its basic goals without suffering serious reverses. While there have been major delays and internal dissension from the conservative political camp, Nobel Peace Prize winner Brandt obviously enjoys majority backing for his foreign policy objectives.

## THE BENELUX STATES

(Continued from page 171)

lateral negotiations, the Beneluxers espouse a realistic hard-nosed approach for the world's largest trading bloc. The Dutch are simply more enthusiastic than the rest, willing to go further faster, and ultimately desirous of a Europe which speaks with a single voice. That is why they emphasize the trans-Atlantic encounter—as a test of will now and an indicator of the pattern of behavior for the future Community.

One should not overstress the dangers within the EEC and in the developing dissimilar inclinations of the Benelux states, but they are there. Problems of the EEC concern one another at least as much as they concern the superpowers, especially while the Community works out its internal power structure. In the process, Holland and Denmark will lead the reformist-left element and Belgium will move to a centrist role of reaction and response rather than initiation and challenge. None of the member states will contribute directly to stagnation or passivity or officially acquiesce in the status quo, not even France. Still, stagnation might be the consequence of more decisions by inertia or "ad-hocery," or the patchwork mending of the system of the Six. Real adjustment to new economic

realities and enlarged political goals has been obstructed by electoral politics which end in a foreign policy of "stand-pattism" or the expedient dwelling on short-range goals. Belgium might be counted upon to protect the fragile edifice of compromise construction in the Community and will not run risks in any major initiatives or reform projects, while her Lowlands neighbors push vigorously for more joint action. So as Belgium turns inward to her nagging domestic affairs, The Netherlands insists that Europe needs a relaunching, a basic overhauling, for the gigantic ventures ahead. Belgium represents the enduring divisions and conflicts of the old continent and its states; the Netherlands mirrors the quest for more integrated economic and political power for the Community through structural reform and achievement.

# FRANCE: L'APRÈS GAULLISME

(Continued from page 156)

Gaullists thought they had been given an overwhelming vote of confidence.

It would be unwarranted to conclude from this review anything more specific than that some deviation from the old voting patterns is at least possible. Even if Mitterrand's Socialists are drawing important support from the young, there would be no guarantee that the trend would continue. But it could. In the meantime, French politicians seem to be more concerned with questions of alliances and constitutional reform—in short, with the organization of power rather than the objects for which it could be used.

That issue will not be resolved, however, before the presidential election three years hence. By then, the game of politics in France-often so baffling and recently so dull—could again become exciting. It has already begun to move, but its new directions are not clear. There is little in the early signs, unfortunately, that could encourage partisans of Europe. Frenchmen have accepted the Common Market of the Nine, but probably fewer than ever are eager to push on toward effective integration in political union. In this, the emergence of the new United Left may prove decisive. It seems unlikely that Mitterrand will continue Socialist support of the European parliament with the risk that it might develop sufficiently to regulate the nationalized economy he envisages for France. Nor does it seem probable that the Socialists will remain faithful to the concept of collective security in the face of the new campaign for the mutual reduction of forces (East and West) in Europe.

The crowning irony is the fact that in many ways the New Left looks more like the old Right. It is turning from international cooperation to the development of the already over-blown state administration. To manage this, it will need the Gaullist regime—

including its powerful presidency-and it could easily slide into much of the General's foreign policy. Does this mean that Pompidou would be pushed back to dependence on a parliamentary coalition and a pro-European position to establish a new base? It would not be a course to his liking; but it might have its uses. De Gaulle defended the France of 1900, and that has finally disappeared. What is left now to conserve is the France of the 1950's and its hopes for a new Europe in an Atlantic context. Or has that, too, become a lost cause?

# TOWARD A UNITED STATES OF EUROPE

(Continued from page 177)

Thus the United States of Europe is growing slowly. Real progress in this direction takes place in small steps on lower levels and not in accord with plans imposed from above. Pressure from outside tends to accelerate progress rather than delay it and helps Europe on its slow path toward the United States of Europe.

# BRITAIN, THE COMMONWEALTH AND EUROPE

(Continued from page 159)

on the one hand, to retain connection with former dependencies, and the desire of those dependencies [on the other hand] to see that those connections are not . . . broken off." Thus when receiving a new High Commissioner from Britain in August, 1971, General Yakubu Gowan of Nigeria noted that

Nigeria attaches very high importance to the uniqueness of the Commonwealth with Britain at its centre-not in the role of a pater familias, but as a link . . . between the old and the new, between the developed and developing members of the Commonwealth. If I may paraphrase an English poet, once the centre does not hold, things fall apart.6

While other new Commonwealth leaders may not have said it so well (and there is admittedly a special degree of closeness between Nigeria and Britain), much the same thought prevails everywhere. As President Julius Nyerere of Tanzania, who has at times been a caustic critic of Britain, noted at the

6 Quoted in Nigeria: Bulletin on Foreign Affairs, a publication of the Nigerian Institute of International Affairs,

vol. 1, no. 12, October, 1971.

<sup>7</sup> Peter Tennant, "Challenges . . . in Britain's membership in the Common Market," Commonwealth, April, 1972, p.

Singapore meeting, Britain has "special responsibilities" toward the rest of the Commonwealth, of which the other members thereof continually remind her. And Britain's "special relations with its . . . partners in the Commonwealth still gives them benefits they are unwilling to lose." Peter Tennant has concluded that

the Commonwealth preserves something of a legacy of its imperial trading past in that the developed and developing nations are working more consciously together to try and create new wealth and a rising standard of living [for them all]. Within a framework held together very largely by personal links, by investment, and [by] an element of British law handed down with each new constitution, the Commonwealth still provides a loose association capable of developing trade links to the advantage of its emerging nation states. Thereby, the Commonwealth remains a medium of communication between (in many cases) wholly disparate states. While communications remain open, trade may flow, for trade, in the end, amounts to finding out your neighbors' wants and meeting them.7

And if there are not so many practical benefits as far as the older members of the Commonwealth are concerned, there are still enough to interest them in remaining involved with Britain in the Commonwealth.

In sum, Britain needs the Commonwealth, and it needs her. Britain's importance varies from Commonwealth nation to Commonwealth nation, but in each instance it provides a type of contact and assistance which probably could not be invented if it did not already exist, which links Britain with a wide variety of generally sympathetic peoples, with both tangible and intangible benefits for all. The need may be quantitatively lessening as the years go by, and tensions within the Commonwealth may persist.8 Nevertheless, Britain values the Commonwealth highly and intends to remain active in it. And there is no indication that any other members of the Commonwealth want it otherwise.

#### II

But having said all that, it is still true that the Commonwealth by itself no longer provides a solid enough base to enable Britain to live on the scale she desires. This is true partly because the other members of the Commonwealth have expanded their own horizons in the aftermath of World War II; the regional ties and interests of many members are coming to rival or overshadow their links with Britain. This is especially true of the Commonwealth Caribbean, many of the African members of the Commonwealth, and Malaysia and Singapore, and it applies to defense as well as to trade. Nor is this a rejection of Britain; it is rather a normal part of the maturing process.

The cold hard facts of the postwar world were even more causative factors in Britain's decision to move

<sup>38.

8</sup> Where there are strains, they are often traceable to a break in communications. Thus the Canadian High Communications. Thus the Canadian High Communications. break in communications. Thus the Canadian High Commissioner in Britain, J. H. Warren, chided his British "cousins" when he spoke to a meeting of the U.K.-Canada Chamber of Commerce in April, 1972, as follows: "... many [of] you fellows in Britain . . . seem not to . . . appreciate how rapid has been the pace of change and progress in Canada on the economic as well as social and cultural fronts." Press release, Canadian High Commission, L.20/72. April 18 ISE 1972, p. 3.

toward Europe. The tremendous costs of the war and the disadvantages Britain faced with her undercapitalized and out-of-date physical plant in reconstruction in the face of overseas competition forced Britain to seek ways of lightening her load (which she did mainly by surrendering the colonial remnants of her empire) and of seeking new opportunities for trade, a more stable currency, and enhanced political power.

In the course of this search she finally turned to Europe. It is necessary to say "finally," because at first Britain's leadership failed to join the general postwar movement toward a united Europe. Both political parties were equally to blame. "When the coal and steel interests on the Continent were merged into a community, it was a Labour government . . . that rejected an invitation to take part. Then the Conservatives stayed aloof at the founding of the Common Market." 9 The new Europe thus formed without Britain, and when she belatedly came to realize the desirability of joining, the opportunity was gone. It took more than ten years to develop a second chance. Nothing in the intervening period convinced Britain there was a better alternative. Indeed, those were the very years of Commonwealth tension, when disillusion with the Commonwealth set in in Britain. At the same time, the Commonwealth was developing other attachments. So Britain was persuaded to try again, and under Prime Minister Edward Heath, Britain "elbow[ed] her way doggedly into Western Europe." 10 The rest is history: with French President Charles de Gaulle off the scene, the union was finally consummated.

Said so curtly, all this may sound as if Britain ended one phase of her life-a long and honorable one at that—by her decision to woo Europe. If it does sound that way, it should not. Britain did not choose Europe over the Commonwealth. The British Government made it clear from the start that it would not abandon the Commonwealth, and nothing in the official actions of government negotiators over the whole period of negotiation shows that the government wavered in its support of the Commonwealth. British representatives in Brussels and London briefed Commonwealth diplomats right through the various negotiation stages, and the British Minister in charge of EEC negotiations visited the Commonwealth Caribbean and Canada for consultations during the negotiations. If Britain did not concern herself so much about the older members of the Commonwealth (and occasionally irritated them thereby), it was because she did not perceive that they needed help. After all, Canadian-United Kingdom trade relations had long been running in Canada's favor, as had Australia's, so that neither would be hurt much by Britain's entry into the Common Market.

The only area of the Australian economy (to use her as a single example) which was threatened was the fruit industry, which still exports heavily to Britain. But the Australian government had taken steps to help that industry in the event of British entry, so that no critical problems were expected even there. Thus Britain did not fight for either country during the negotiations. She did fight for New Zealand, and she won an impressive victory. Britain had traditionally absorbed about 80 per cent of all New Zealand's exports of butter, cheese and lamb on very favorable trading terms. If all of a sudden so small a country (2.8 million) had had to "scale the 15 to 20 per cent tariff walls of the Common Market . . . it would have meant simple bankruptcy. great credit, the U.K. negotiators demanded and got a six-year grace period allowing tariff-free entry of N[ew] Z[ealand] dairy goods." 11

But, as Prime Minister Heath said in mid-1972 in commenting on the many problems facing the "countries of Asia . . . Africa . . . [and] the Caribbean members of [the] Commonwealth," Britain's chief concern was to make sure that they would not be adversely affected. Thus especially hard bargaining was entered into in their behalf, and Britain won concessions from the Community for preferential entry of Caribbean sugar in particular and for special arrangements to be made for all the developing members of the Commonwealth in general so that none would be hurt in the first years of British membership in EEC. Moreover, Britain got the Community to agree that "from the date of . . . accession [it would] examine with these countries any problems that may arise in the field of trade with a view to seeking a satisfactory solution."12 Mauritius became the first one of the developing Commonwealth countries to negotiate association with the EEC. It did so in March, 1972, under an extension of the so-called Yaoundé Convention, which had been worked out in the 1960's between the Community and 18 asso-The Community in effect ciated African states. agreed to let the developing Commonwealth countries enter under the same preferential terms as far as trade is concerned and also to extend aid and technical assistance to them on the same basis as to the original 18.13 All those countries may negotiate with the EEC during 1973, the arrangements resulting from the negotiations to come into effect in 1975.

<sup>&</sup>lt;sup>9</sup> The New York Times Encyclopedic Almanac (New York: The New York Times, 1969), p. 886.

<sup>10</sup> See Leslie Hannon, "A dry-eyed goodbye to the dear old Commonwealth," Saturday Night, December, 1972, p. 41. <sup>11</sup> *Ibid.*, p. 44.

<sup>12</sup> Mr. Anthony Royle, Under Secretary of State for Foreign and Commonwealth Affairs, House of Commons Par-liamentary Debates. Weekly Hansard No. 895. April 24, 1972, p. 1033.

13 See Werner Feld, The European Common Market and

the World (Englewood Cliffs, New Jersey: Prentice-Hall, 1967), pp. 116–127. LICENSED TO UNZ

Nigeria, Uganda and Tanzania were also guaranteed the opportunity to make special arrangements under the terms of the Arusha Agreement, which set up a special association of more developed countries. They sought only preferential trade arrangements and not aid and technical assistance.

It is hard to see what else Great Britain could have done to demonstrate her concern for the impact on the Commonwealth of her entry into the Common Market. It surely made the negotiations more difficult and protracted, and it may well have been a serious drain on the supply of "honeymoon" good will which Britain can expect in her new alliance with Europe. But it reflects Britain's determination not only to save the Commonwealth for herself but to give the Commonwealth countries a share of the expanded trade she sees as accruing from her member-Prime Minister Heath has denied from the beginning that Britain, in joining EEC, has become inward looking. He sees Britain's entry as advantageous to the Commonwealth as well as to Britain, and he has challenged the other members of the Commonwealth to enter "into an arrangement with the [C]ommunity. . . ."14 For the moment, it appears that Britain has done all she can for the Commonwealth. Now the other members must see what more they can do on their own.

Instead of hostility and fear, which were their reactions to Britain's first overtures to Europe, the Commonwealth countries have moved to cautious support. They are coming to see Britain's entry as an avenue through which they themselves can become better understood in Europe and can take advantage of the opportunities of its expanding economy. A common sentiment was expressed in April, 1972, by the Canadian High Commissioner in Britain:

For our part [he said, Canada will] continue to cherish and foster the direct relationship with Britain [it has always maintained]. At the same time, we will be trying to deepen the links with the other members of the EEC and the Community as a whole. In all this Canadians will count on Britain's co-operation and support. We ask no more than that Britain and its European colleagues reciprocate in kind.<sup>15</sup>

And speaking for the developing countries in the Commonwealth, the official Malaysia Newsletter may have summed up their feelings: "British participation in the Common Market will not only strengthen Britain but also the European economy and from the Malaysian viewpoint, the more prosperous Europe is, the better for Malaysian trade." <sup>16</sup>

Indeed, Britain's entry into the Common Market

may well serve to strengthen rather than weaken the Commonwealth as a unit. It could well bring it together in a new and special relationship with a part of the world much of the Commonwealth has had little contact with. Britain's role will be to act as the conduit between the EEC and the countries of the Commonwealth in that developing relationship.

#### TTT

It is of course far too early to know either the end of the story or what events will take place as the story unfolds. What will happen to capital flows from Britain to Commonwealth members? How will exports from developing Commonwealth countries fare in the face of an increasingly integrated European market? How will such developing entities as the Caribbean Common Market affect Britain, the EEC itself, and the broader Commonwealth? The answers to such questions as these may vitally affect both Britain and the Commonwealth.

Those answers may be made easier to frame if a steady flow of information is maintained throughout the Commonwealth. The Commonwealth Secretariat has recently organized an Information Division, and it should help in the effort to keep channels of communication open. The Secretariat is also helping the developing countries to find the best ways to approach the EEC in the negotiations for association. Thus Britain is not alone in her efforts to make her transition into the Common Market as easy as possible for the rest of the Commonwealth.

About all that can be said at this point is that intentions are clear: Britain is embarking on an adventure that will have profound effects on herself and on the Commonwealth, and both Britain and the other members of the Commonwealth intend to stay together and work out the problems that arise en bloc. "The future is uncertain for all," The Globe and Mail of Toronto editorialized as Britain formally entered EEC. "Britain goes into the community with high unemployment, steeply rising inflation, a business community not [accustomed to] looking for new opportunities, [and] a reluctant population." their part, the other Commonwealth countries have been slow in making "determined approaches." It will take patience and understanding and perseverance to get all the pieces to fall into place. The final product may be a far different kind of Commonwealth relationship. But Britain's relations with the Commonwealth have always been in flux, as have the contours of the Commonwealth itself. The new pattern must include Europe. Thus Britain is at the end of one more phase of her long national life. world will be watching with interest and concern as she begins to move through the next phase. No part of the world will watch with more attention than the

<sup>&</sup>lt;sup>14</sup> The Globe and Mail (Toronto), January 2, 1973, p. 4. <sup>15</sup> Press release. Canadian High Commission. L.20/72 April 18, 1972, p. 6.

<sup>16</sup> Malaysia Newsletter No. 85, November 5, 1971, placensed the world with watch with 17 The Globe and Mail (Toronto). Ianuary 27873 by C4REP Commonwealth ROHIBITED

# THE MONTH IN REVIEW

A CURRENT HISTORY chronology covering the most important events of February, 1973, to provide a day-by-day summary of world affairs.

#### INTERNATIONAL

# **Berlin Crisis**

Feb. 22-Reversing a weekend decision, the West German government resumes payment of Communist permit fees for visits of West Germans-primarily West Berliners—to East Germany; this reversal ends a 5-day controversy between the West German government and West Berlin. West Germany wanted to stop paying the fees directly and to subsidize West Berlin payments instead.

## Disarmament

Feb. 6—It is reported that East-West preparatory talks in Vienna paving the way for a conference on mutual force reductions in Central Europe have reached an impasse.

Feb. 20-As the 25-nation disarmament conference opens in Geneva, the Soviet Union claims that the participation of China and France is essential to negotiations for ending nuclear tests.

# **European Economic Community** (Common Market)

Feb. 17-The EEC donates food plus \$4.3 million in cash to aid the U.N. agency in charge of Palestinian refugees.

Feb. 21-In a landmark decision, the EEC Court of Justice upsets a 1971 antitrust ruling against the U.S. Continental Can Corporation on grounds of lack of evidence. But the court upholds the EEC Commission's power to ban mergers under the 1958 Treaty of Rome.

#### Middle East

(See also *Egypt*; *Jordan*)

Feb. 15—Israeli and Egyptian planes clash over the Gulf of Suez, breaking a quiet of 8 months in the area.

Feb. 21-Penetrating 95 miles inside Lebanon, Israeli ground forces damage Lebanon commando offices, warehouses and schools in two refugee camps.

A 113-passenger civilian Libyan jet that has strayed over Israeli-occupied Sinai crashes after being fired on by Israeli fighters. The plane reportedly did not obey Israeli orders to land.

Feb. 24—Israeli Defense Minister Moshe Dayan de-

in the February 21 crash of a civilian Libyan airliner in which at least 106 persons were killed.

Feb. 25—An Israeli statement reveals that the Cabinet has decided to compensate the families of victims of the Libyan air crash "in deference to humanitarian considerations." Israel assumes no responsibility for the crash of the plane; government spokesmen blame the pilot of the airliner and Cairo air control for the crash.

# **Monetary Crisis**

Feb. 3—In an emergency session, the West German Cabinet orders the tightening of foreign exchange controls to restrict an influx of U.S. dollars; dollars have been selling heavily in major financial centers in Europe and in Tokyo.

Feb. 6-The West German Bundesbank (central bank) buys \$1.3 billion in U.S. dollars when a wave of selling occurs on West German foreign exchange markets. West Germany wants to prevent dollar devaluation and a rise in the value of the mark.

Feb. 8—It is reported that heavy selling of the dollar has occurred on foreign exchange markets.

Feb. 9-West German Chancellor Willy Brandt confers by telephone with U.S. President Richard Nixon, Prime Minister Edward Heath of Britain, and President Georges Pompidou of France on a joint solution to the monetary crisis.

The Tokyo Foreign Exchange market is closed by order of the Finance Ministry.

Feb. 11—It is reported from Basel that most foreign exchange markets in West Europe and Japan will be closed tomorrow because of heavy speculation that could increase the value of the German mark and Japanese yen.

Feb. 12-U.S. Secretary of the Treasury George P. Schultz announces that the dollar will be devalued by 10 per cent against most of the world's major currencies; against the Japanese yen, the devaluation will be more than 10 per cent.

Feb. 13-Many foreign exchange markets remain closed. The dollar drops sharply. In Japan, the yen is allowed to float against the dollar, which is now valued at 277 yen; official parity has been 308 yen to the dollar.

Feb. 23-The free market price of gold in London and Zurich rises to \$95 an ounce and then falls to clares that the Israelis made an "error of judgment" 1N7 0\$85 an ounce; it was selling at under \$60 an ounce

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when the dollar was devalued. The volume of gold dealings reaches record volume. The new official U.S. price of gold is \$42.22 an ounce.

#### **United Nations**

- Feb. 2—The Security Council adopts a resolution asking Britain to try to control Rhodesia's hostile acts toward Zambia.
- Feb. 5—U.N. Secretary General Kurt Waldheim confers in New Delhi with Indian Prime Minister Indira Gandhi.
- Feb. 7—U.N. Secretary General Waldheim arrives in Pakistan and meets with Pakistani President Zulfikar Ali Bhutto.
- Feb. 28—By a 105–1 vote, the International Civil Aviation Organization condemns the Israeli action that led to the crash of a Libyan civilian airliner February 21.

#### War in Indochina

(See also Cambodia; Laos)

- Feb. 5—A Canadian member of the International Control Commission declares that he has urged the Four-Party Joint Military Commission of Control and Supervision to hurry the deployment of inspection teams.
  - The U.S. Defense Department announces that U.S. Navy demolition experts met today with North Vietnamese leaders to discuss clearing the mines from the port of Haiphong.
  - It is reported that international peacekeeping teams have taken their places in 7 provincial centers.
  - It is reported that the South Vietnamese government has released thousands of military and civilian prisoners during the last few days; the Paris cease-fire accord stipulated that the prisoners be returned to North Vietnam or the Vietcong and not turned loose.
- Feb. 9—The chairman of the International Control Commission says that the cease-fire is not in effect-tive operation because no clear demarcation lines have been established between Vietcong-held and South Vietnamese territory.
- Feb. 10—After conferring in Laos with the Laotian Premier, Prince Souvanna Phouma, U.S. national security adviser Henry Kissinger arrives in Hanoi for discussions on U.S.-North Vietnamese postwar relations.
- Feb. 12—The first group of American prisoners of war to be released by Hanoi and the Vietcong arrives at Clark Air Base in the Philippines.
- Feb. 13—The first 140 South Vietnamese prisoners of war arrive in South Vietnam. South Vietnam releases Vietcong and North Vietnamese prisoners of

- Vietnam has agreed to release 20 U.S. prisoners of war ahead of schedule, supposedly as a goodwill gesture following Kissinger's visit to Hanoi that ended earlier today.
- Feb. 14—The United States and North Vietnam agree to set up a Joint Economic Commission to distribute American reconstruction aid to North Vietnam.
  - The Pentagon announces a step-up of U.S. air strikes in Laos to 380 daily, an increase of 100.
- Feb. 17—The arrival in California of the last 20 of 143 American prisoners of war completes the first stage of Operation Homecoming.
- Feb. 19—U.S. military forces in Vietnam number 14,180 men, the lowest in a decade, according to the U.S. command. Withdrawal of all U.S. ground forces is to be completed March 28.
- Feb. 21—The Laotian government and the Communist-led Pathet Lao initial a pact ending the war in Laos. The cease-fire goes into effect tomorrow.
  - U.S. officials begin to seek information about American prisoners of war in Laos.

The war in Cambodia continues.

- Continued fighting is reported in South Vietnam. Feb. 23—The Department of Defense announces that "at the request of the Royal Laotian government" U.S. B-52 bombers struck at Communist troop positions in Laos less than 24 hours after a cease-fire agreement was signed.
  - In Paris, foreign ministers of South Vietnam and the Vietcong's Provisional Revolutionary Government meet alone for the first time; political talks are to begin March 5 and March 10 in Paris.
- Feb. 26—As the international conference on Vietnam opens in Paris, Canadian External Affairs Minister Mitchell W. Sharp suggests that, if fighting is resumed after the conference ends, the U.N. Secretary General should be empowered to recall the 13-party conference.
  - Representatives of the Vientiane government and the Communist-led Pathet Lao meet to discuss ways to guarantee the cease-fire in Laos.
  - The second group of American prisoners of war is not released on schedule by the North Vietnamese and the Vietcong.
- Feb. 27—President Nixon orders U.S. Secretary of State William Rogers "to demand clarification . . . on a most urgent basis" of the North Vietnamese delay in releasing American prisoners of war.
  - In Saigon, North Vietnamese spokesman Nguyen Thanh Le charges "grave violations" of the ceasefire by the United States and Saigon.
- Feb. 28—After a temporary halt in U.S. troop withers of drawals and mine-sweeping operations, North Vietmi reers of Secretary of State Rogers that all American prison-LICENSED ers will be refeased by the North Vietnamese and

#### **ARGENTINA**

Feb. 7—It is reported that the military government has forbidden Juan D. Perón, former President, to return to Argentina until after next month's elections.

#### **AUSTRALIA**

- Feb. 12—Immigration Minister Albert Grassby promises to put into effect the new immigration rules based on a recent court decision which ruled out color as a factor in admitting immigrants.
- Feb. 19—Prime Minister Gough Whitlam indicates that he intends to make Papua, New Guinea (an Australian-administered territory), independent by 1975.
- Feb. 24—In a joint communiqué issued at the close of Prime Minister Whitlam's 4-day visit to Jakarta, Australia and Indonesia pledge close cooperation.
- Feb. 26—Australia and North Vietnam, recent opponents in the Vietnam war, announce the establishment of diplomatic relations.
- Feb. 28—In Parliament, Defense Minister Lance H. Barnard promises to safeguard the secrecy of U.S. military installations in Australia.

### **CAMBODIA**

(See also Intl, War in Indochina)

- Feb. 10—Communist-led guerrillas disperse government troops who have been holding positions on Route 1, the highway from Saigon to Pnompenh.
- Feb. 20—President Lon Nol's government negotiates with non-Communist opponents to set up a council to deal with the Communists.

#### CANADA

- Feb. 14—Canada and Cuba agree on an antihijacking pact covering planes and ships.
- Feb. 17—Prime Minister Pierre Elliott Trudeau agrees to negotiate Yukon Indian claims.
- Feb. 20—The proposed budget of Trudeau's minority government receives the necessary backing of the New Democratic party; a threat to the government's leadership is avoided.
- Feb. 21—The population of Canada reaches 22 million today.

#### CHINA

(See U.S., For. Pol.)

#### **CONGO REPUBLIC**

Feb. 20—President Marien Ngouabi disbands his police force, assigning its duties to the army.

#### **CUBA**

(See Canada; U.S., For. Pol.)

#### **CYPRUS**

- to unite, following a rash of bombing incidents between opposing factions in the Greek Cypriote community.
- Feb. 7—Hooded terrorists under General George Grivas attack 20 police stations; Grivas wants Cyprus to unite with Greece.
- Feb. 8—Archbishop Makarios is proclaimed President for another 5-year term, before a crowd of 100,000.

#### **CZECHOSLOVAKIA**

Feb. 22—President Ludvik Svoboda declares amnesty for citizens who fled during the 1968 entry into Czechoslovakia of Soviet and other Warsaw Pact troops. Soviet Party Leader Leonid Brezhnev arrives for the celebration of the 25th anniversary of communism in Czechoslovakia.

# **DOMINICAN REPUBLIC**

- Feb. 6—An army patrol fires on a rebel band that landed 2 days ago in the Dominican Republic. According to the government, the guerrillas have come from Cuba and are plotting the overthrow of President Joaquín Balaguer.
- Feb. 17—The Dominican army reports killing former Colonel Francisco Caamaño Deño, 1965 rebel leader, and 3 other guerrillas, said to have landed February 4 as members of an estimated band of 10.

#### **EGYPT**

(See also Intl, Middle East; U.S., Foreign Policy)

- Feb. 10—Soviet-Egyptian declarations are announced in a joint press statement, following 5 days of talks in Moscow between Hafez Ismail, adviser on national security affairs to Egyptian President Anwar Sadat, and Soviet leaders; the statement reiterates Egypt's refusal to accept a "partial solution" of the Middle East crisis and expresses the "full understanding" of the Soviets. The U.S.S.R. pledges to help strengthen Egypt's "military potential" but does not promise new arms shipment.
- Feb. 14—Government-controlled newspapers publish declarations of student grievances in an apparent effort to deal with student unrest.
- Feb. 18—President Anwar Sadat's adviser on national security affairs, Hafez Ismail, flies to London to talk with British Prime Minister Edward Heath and British Foreign Secretary Sir Alec Douglas-Home.

#### **FRANCE**

- Feb. 22—The government returns the coffin of Marshal Philippe Pétain, Vichy collaborator in World War II, to its grave on the Ile d'Yeu. Hubert Massol, an ultrarightist candidate for the Assembly, says he organized the theft, which was discovered a few days ago.
- Feb. 26—For the first time, the military takes over

Feb. 1—The Greek government urges Greek Cypniotes NZ. Or Ontrol of seriously reduced air traffic, because of ELECTRONIC REPRODUCTION PROHIBITED

a week-long strike of civilian controllers, backed by French pilots.

# GERMANY, DEMOCRATIC REPUBLIC OF (East)

Feb. 9—It is announced that Britain and France have granted diplomatic recognition to East Germany.

# **GERMANY, FEDERAL REPUBLIC OF (West)**

(See Intl, Berlin Crisis, Monetary Crisis)

### **GREECE**

(See also Cyprus)

Feb. 22—After professors agree to support them, 2,000 students end a sit-in at the University of Athens law school. In more than 4 weeks of demonstrations, students have been protesting a decree revoking deferments from military service of dissident students.

Feb. 23—The government refuses to repeal a decree cancelling the deferments of dissident students. The government has drafted almost 100 student leaders during these weeks of unrest.

#### INDIA

(See Intl, U.N.; Pakistan; United Kingdom)

#### IRAQ

Feb. 7—It is reported that 9 or 10 prominent imprisoned members of the Jewish community in Iraq have been executed during the last few weeks.

Feb. 17—A Beirut newspaper reports the execution of 17 former military officers; the Iraqi authorities have charged that an attempt was made to overthrow the government of President Ahmed Hassan Bakr.

Feb. 28—Baghdad Radio reveals that foreign oil companies have accepted nationalization of the Iraq Petroleum Company in exchange for compensation.

#### IRELAND

Feb. 28—A general election is held.

#### ISRAEL

(See Intl, Middle East; U.S., Foreign Policy)

#### ITALY

Feb. 14—The Chamber of Deputies rejects a farm bill amendment supported by the centrist government of Premier Giulio Andreotti, causing a split in his Christian Democratic party and speculation that he may be forced to step down before May, 1973.

#### **JORDAN**

Feb. 5-King Hussein arrives in the U.S.

Feb. 7—Hussein announces that the U.S. has agreed to supply 2 squadrons of jet fighter planes to Jordan.

#### KENYA

Feb. 24—Minister for Information and Broadcasting Robert Mantano announces that Kenya is to adopt Swahili as her national language so that the government can communicate with the people; the international communications media will continue to use English.

# KOREA, REPUBLIC OF (South)

Feb. 28—Unofficial returns reveal that in yesterday's elections for 146 elected seats in the 219-seat Assembly, President Chung Hee Park's Democratic Republic party won about half the seats; 73 members of the Assembly will be chosen directly by the President.

# LAOS

(See also Intl, War in Indochina)

Feb. 7—The U.S. command reports that bombing missions over Laos are continuing for the 11th consecutive day.

Feb. 13—It is reported that the Communist-led Pathet Lao and government delegates have reached a deadlock over a peace settlement for Laos. The Pathet Lao demands that American bombing cease.

#### LIBYA

(See Intl, Middle East)

## MALAGASY REPUBLIC

Feb. 27—In the port city of Majunga, a curfew is imposed because of demonstrations against the government's new education program which makes Malagasy the national language at the expense of coastal dialects. Two other port cities have protested the new program in the last 3 months.

#### MALAYSIA

Fed. 26—The government begins arming volunteer vigilantes around Kuala Kra, 20 miles from the Thai-Malaysia border, to fight Communist guerrillas, estimated by the government at 1,500. The civil defense department reports that it intends to arm 900 trained volunteers.

#### **PAKISTAN**

Feb. 15—President Zulfikar Ali Bhutto replaces the governors of Baluchistan and the North-West Frontier province, who are members of the Opposition National Awami party. Last weekend, the government seized Soviet-made arms from the Iraqi Embassy in Islamabad, charging that they were intended for the Awami party.

Feb. 19—179 sick and wounded Pakistani prisoners return from India, bringing the total of returned prisoners to almost 800 out of more than 91,000 Pakistanis captured during the war with India in

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## **PHILIPPINES**

Feb. 2-President Ferdinand E. Marcos issues a decree offering amnesty to anyone who has violated the anti-subversion law by joining the outlawed Communist party.

Feb. 26—The Philippines and the United States sign a loan importation agreement of \$20 million, financing wheat and other commodities from the U.S.

# **RHODESIA**

(See also Intl, U.N.; Zambia)

Feb. 3—It is announced that Rhodesia will reopen her borders with Zambia.

Feb. 12—The government imposes a fine on members of the Chikykwa village, where nationalist guerrillas supposedly have received food and shelter from other black Africans.

Feb. 20-Under her emergency laws, Rhodesia seizes free-lance journalist Peter Niesewand, the first white to be arrested since the government detained former Prime Minister Garfield Todd and his daughter in January, 1972. Todd is still under house arrest.

Feb. 21—The Center party says it will oppose the proposed settlement of Rhodesia's independence dispute with Britain unless it receives public assurance from Prime Minister Ian D. Smith that the settlement will result in the repeal of all racially discriminatory laws passed at the last session of the legislature.

#### SOUTH AFRICA, REPUBLIC OF

Feb. 7-Police fire on a crowd of 200 blacks in the industrial area of Hammarsdale, 25 miles from Durban. Blacks have struck against more than 100 concerns in the Durban area.

Feb. 8—In Durban, 16,000 black municipal workers stop striking and return to work after they are threatened with dismissal.

Feb. 27—The government places a 5-year ban on 8 leaders of the 24,000-member National Union of South African Students. The banned leaders are barred from political activities and from attending or visiting any educational institution.

# **TURKEY**

Feb. 1—A military tribunal sentences to death 2 university students, members of the Turkish People's Liberation Army, for attempting to overthrow the government.

# U.S.S.R.

(See also Intl, Disarmament; Egypt; U.S., For Pol.)

Feb. 3—It is reported that Agriculture Minister Vladimir V. Matskevich has been removed from his

that the coming exchange of party cards, the first such exchange since 1954, may result in expulsion for anyone guilty of "unworthy behavior."

Feb. 25-For the first time since World War II, the production of major Soviet steel mills is revealed. The industrial weekly Ekonomicheskaya Gazeta reports that in 1972, for the second consecutive year, Soviet steel production outstripped steel production in the U.S.

#### UNITED KINGDOM

#### **Great Britain**

Feb. 20-Two masked young Asians attacking the Indian High Commissioner's office in London are shot and killed by police; a third youth is captured.

Feb. 27—Approximately 250,000 civil servants stage a 1-day strike, the 1st such strike in the nation's history; a series of strikes which threaten air, rail and hospital services have been challenging the government's anti-inflation program.

Feb. 28-29,000 locomotive engineers strike to protest the government's anti-inflation measures.

#### Northern Ireland

Feb. 3—It is reported that 10 persons were killed during the past week-6 Catholics, 3 Protestants, 1 unidentified person.

Feb. 5—The British government orders 2 Protestants held under the Detention of Terrorists order. Previously, the order has been used exclusively against Roman Catholics.

Feb. 7—Terrorists fire into a funeral procession of hundreds of Roman Catholics; the funeral is being held for 3 members of the Provisional wing of the I.R.A. who were killed by British troops. Protestant militant groups hold a 1-day strike to protest the detention of 2 Protestants.

Feb. 9-7 Protestants are arrested and detained.

## UNITED STATES

# **Civil Rights**

Feb. 16-Judge John H. Pratt, a federal district judge, orders the Department of Health, Education and Welfare to open enforcement proceedings against public school districts and colleges in 17 states charged with racial discriminatory practices. Strict compliance timetables are established for HEW.

Feb. 28—Some 200-300 members of the militant American Indian Movement seize the hamlet of Wounded Knee, South Dakota, holding 10 to 12 hostages and demanding that the Senate Foreign Relations Committee hold hearings on U.S. treatment of American Indians.

# **Conservation and Pollution**

Feb. 9-The U.S. Court of Appeals for the District

Feb. 19—Pravda, the Communist party daily) warns NZ. Ord Columbia Circuit reverses a federal district court **ELECTRONIC REPRODUCTION PROHIBITED** 

ruling and orders that the Secretary of the Interior be enjoined from issuing permits for the construction of the trans-Alaskan oil pipeline.

Feb. 13—In Detroit, U.S. District Court Judge Charles W. Joiner orders the Ford Motor Company to pay a \$7-million fine for violating the Federal Clean Air Act by having company employes tamper with engines.

# **Economy**

(See also Intl, Monetary Crisis; U.S., Labor)

- Feb. 2—The Labor Department issues a report showing a decline in the unemployment rate to 5 per cent in January, 1973, the lowest rate since July, 1970.
- Feb. 15—The Dow Jones industrial average falls 16.85 points to 979.91, the sharpest decline in almost 20 months, in the wake of dollar devaluation.
- Feb. 20—Earl L. Butz, Secretary of Agriculture, indicates that in January, 1973, food costs showed the largest monthly increase in "20 or 25 years," between 2 and 3 per cent.
- Feb. 21—In a 15-minute radio speech, the President promises more stable food prices in the last six months of 1973.
- Feb. 23—The Federal Reserve Board raises its discount rate from 5 per cent to 5.5 per cent; on January 12, the rate was raised from 4.5 per cent to 5 per cent.
- Feb. 26—Treasury Secretary George P. Schultz and Cost of Living Council director John T. Dunlop reveal that the 5.5 per cent annual wage increase standard will be maintained in Phase 3 of the administration's economic stabilization program.

# **Foreign Policy**

(See also Intl, War in Indochina, Monetary Crisis; India; Jordan)

Feb. 1—In an hour-long televised interview, Henry A. Kissinger, President Richard M. Nixon's special adviser on national security affairs, declares that he will try to pave the way for "normalization" of relations between the U.S. and North Vietnam.

Vice President Spiro Agnew visits Cambodia and meets with Cambodian President Lon Nol, assuring him of continued U.S. support.

President Nixon welcomes visiting British Prime Minister Edward Heath; the two leaders confer.

- Feb. 4—Vice-President Agnew visits Singapore, his 5th Southeast Asian stopover in 6 days.
- Feb. 15—Secretary of State William Rogers signs a Cuban-U.S. agreement aimed at stopping hijacking between the two nations. He declares that no improvement in relations with Cuban Premier Fidel Castro's government is indicated.

Feb. 20—In Tokyo, Kissinger confers with Japanese Premier Kakuei Tanaka before returning to Washington to report to the President about his 2-week trip to North Vietnam, China and Japan.

Addressing a joint session of the South Carolina General Assembly, President Nixon outlines his hopes for peace in the light of the cease-fire in Vietnam.

- Feb. 21—The U.S. and the U.S.S.R. sign agreements with regard to fisheries off the U.S. Pacific coast; similar agreements regulating fishing off the middle Atlantic coast are not accepted. Fisheries claims boards are established in Washington and Moscow.
- Feb. 22—A joint communiqué released simultaneously in Washington and Peking reveals that the U.S. and China will establish liaison offices in one another's capitals shortly.
- Feb. 23—Hafez Ismail, a special envoy of Egyptian President Anwar Sadat, confers in Washington with President Nixon, Secretary of State Rogers and others.
- Feb. 25—In Paris, Rogers begins private conferences with Chinese Foreign Minister Chi Peng-fei to discuss each country's financial claims against the other.
- Feb. 26—Israeli Premier Golda Meir arrives in Washington for a 10-day visit, and conferences with President Nixon.

#### Government

- Feb. 2—President Nixon announces that his State of the Union message will take the form of a series of reports; in his first message, he tells Congress that government spending must be cut back.
- Feb. 5—The White House reports that President Nixon has impounded \$8.7 billion in federal funds; this does not include the \$6 billion in water pollution control funds that the President has refused to allocate.
- Feb. 8—The Senate confirms the appointment of Caspar W. Weinberger as Secretary of Health, Education and Welfare.
- Feb. 15—In a message to Congress on the environment and natural resources, the President suggests an end to direct payments to farmers to subsidize their crops.

Thomas E. Morgan (D., Pa.), chairman of the House Foreign Affairs Committee, declares that a small listening device of unknown origin has been found on a press table in the committee's main hearing room.

- Feb. 17—Acting director L. Patrick Gray 3d is named director of the Federal Bureau of Investigation.
- Feb. 19—President Nixon addresses the AFL-CIO Executive Council meeting in Bal Harbour, Florida, and says he plans to ask Congress for discretionary power to negotiate a "safeguard system" in trade

agreements.
SED TA Lederal district court finds former Illinois

Governor Otto Kerner guilty of conspiracy and accepting a bribe, income tax evasion, mail fraud and perjury. Kerner is a judge of the United States Court of Appeals for the Seventh Circuit.

Feb. 22—The President delivers an economic "state of the union" message to Congress, defending cuts in welfare programs and other budget cuts.

Feb. 24—The President, in a radio address, promises to support social programs for the nation's needy that do not take away freedom or self-reliance.

Feb. 26—The Finance Committee to Reelect the President obtains subpoenas ordering the publisher and managing editor of the *Washington Post* and 10 reporters, including 3 from the *Post*, to turn over notes, tapes and other materials relating to news stories on the bugging of Democratic head-quarters at Watergate in Washington, D.C., on June 17, 1972.

Feb. 28—The General Accounting Office reveals it is investigating an unreported \$200,000-contribution to the Finance Committee to Re-elect the President made by Robert L. Vesco, a New Jersey financier under federal charges of securities fraud. The money was reportedly returned to Vesco January 31, 1973.

#### Labor

(See also Government)

Feb. 8—At the end of a 30-day cooling-off period, the United Transportation Union strikes against the Penn Central Railroad to protest a reduction in the size of train crews.

Congress adopts a joint resolution to halt the strike of the Penn Central Railroad for 90 days.

Feb. 9—Regular Penn Central service resumes.

Feb. 20—The AFL-CIO's Executive Council criticizes the administration's "dismantling" of the country's social wefare programs.

# Military

Feb. 16—The conviction of First Lieutenant William L. Calley for murder in the March 16, 1968, slaying of civilians at My Lai in Vietnam is upheld by a 3-man U.S. Army court of military review. Calley's petition for a new trial is denied. The case will be appealed.

# **Supreme Court**

Feb. 21—The Supreme Court rules 5 to 3 that its one-man one-vote ruling may be applied less strictly to state legislative districts than to federal congressional districts; the case involves reapportionment in Virginia.

Feb. 22—In a 5-4 ruling, the Court holds that, even if they resort to violence, strikers cannot be prosecuted for "extortion" under the 1951 federal Hobbs that 2 Act, which is aimed at racketeering TOUNZ.ORGSIA.

Feb. 26—In a series of unanimous orders, the Court refuses to reconsider its decision calling for liberalization of most states' abortion laws; a challenge to the liberal New York abortion law is dismissed.

Feb. 27—In a unanimous decision, the Court rules that a private suburban swimming club which grants membership preference to residents of the immediate neighborhood cannot refuse to accept such residents because they are black.

#### URUGUAY

Feb. 8—President Juan M. Bordaberry, in a television and radio address, refuses to dismiss Defense Minister Antonio Francese; Francese's dismissal is demanded by the commanders of the army and the air force.

Feb. 9—Bordaberry accepts Francese's resignation following a virtual rebellion by the army and air force.

Feb. 14—A spokesman for the armed forces declares that "the emergency is over"; this morning the military reached an agreement with President Juan Maria Bordaberry providing for supervisory military control over the government, through the creation of a National Security Council.

Feb. 15—A committee of Parliament approves the extension of Bordaberry's suspension of personal civil liberties for 45 days as part of the continuing campaign against the Tupamaro urban guerrillas.

Feb. 21—Uruguay signs a 3-year trade agreement with the EEC.

# VIETNAM, DEMOCRATIC REPUBLIC OF (North)

(See Intl, War in Indochina)

# **VIETNAM, REPUBLIC OF (South)**

(See also Intl, War in Indochina)

Feb. 3—President Nguyen Van Thieu, in a radio and television address, announces that he has ordered South Vietnam's delegates to open talks with Vietcong representatives in Paris on the future of South Vietnam.

Feb. 17—Government spokesman Pham Duong Hien announces the formation of a new organization, the People's Front to Safeguard Peace and to Realize the People's Right to Self-Determination, to oppose the National Liberation Front.

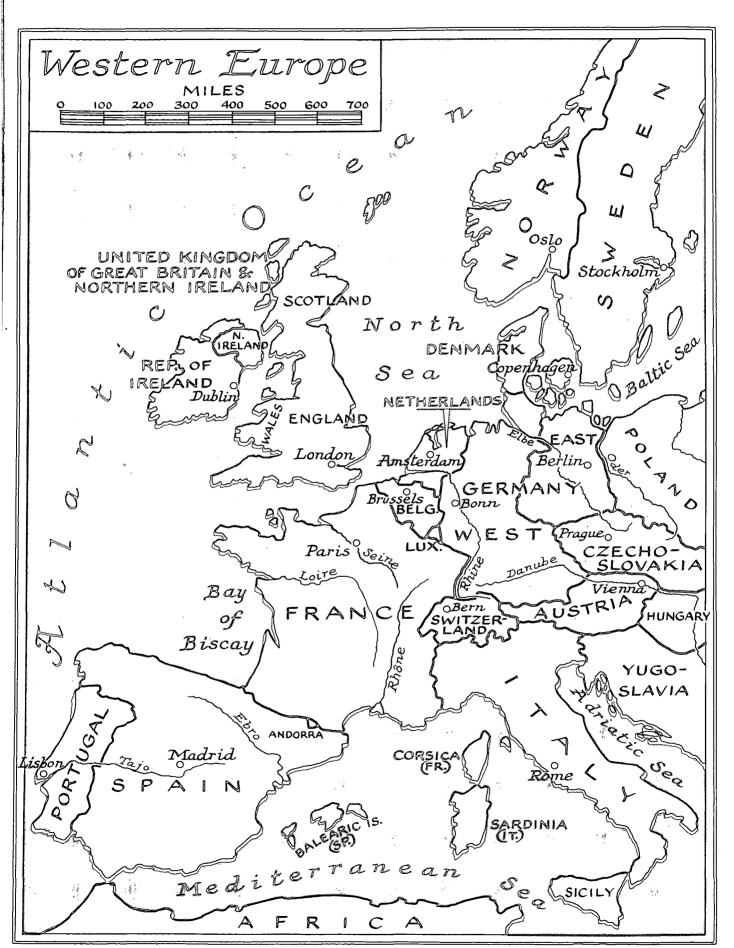
Feb. 21—South Vietnam's national bank declares that the government has authorized the nation's first stock exchange.

# ZAMBIA

(See also Rhodesia)

Feb. 4—President Kenneth D. Kaunda announces that Zambia will not open her frontier with Rho-

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